

ARMY FEDERAL ACQUISITION REGULATION MANUAL NO. 2

(CONTINGENCY CONTRACTING) (FEB98)

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Chapter One

Introduction

1-1. Purpose. This manual provides a consolidated source of information for use during the planning and execution of contingency, humanitarian assistance or peacekeeping operations and deployment exercises. It provides guidance for implementing the Federal Acquisition Regulation (FAR), DoD FAR Supplement (DFARS), and the Army FAR Supplement (AFARS).

1-2. Mission Statement. The mission of contingency contracting is to responsively, effectively, and legally contract for, or to contract for the providing of, the supplies, services, and construction necessary to support the mission of the supported organizations.

1-3. Requirement.

a. U.S. Forces have deployed to perform tasks in support of national objectives throughout the world. These contingencies have involved the participation of military and other public, joint, or allied elements to assist in emergency situations caused by war, natural disaster, terrorist or subversive activities, collapse of law and order, or political instability. In addition to rescue and humanitarian relief missions, military contingencies can include demonstrations of force, raids, and larger operations undertaken to protect U.S. interests, lives, and property. Contingencies require planning, rapid response, flexible procedures, and integration of efforts.

b. Contracting is an integral part of the overall process of providing logistics resources. It is a tool used by units to obtain supplies or services in support of the mission.

c. Contracting serves to bridge gaps that may occur before military logistics resources can be mobilized and in some cases will be necessary for the duration of the contingency, humanitarian assistance or peacekeeping operations. It will be valuable where no Host Nation Support (HNS), nation to nation, agreements exist in the deployment area, or where HNS agreements do not provide for the supplies or services required. Satisfying requirements for supplies and services by contracting for locally available resources has proven to improve response time and free airlift and sealift assets for other priority needs.

d. Contracting will augment existing logistics support capabilities, providing a new source for critically required supplies and services. Contracting will provide initial deployment, sustainment, and redeployment supplies and services requirements such as:

(1) Supplies: Class I - bottled water and food; Class II - organization equipment and clothing, expendable office and field supplies; Class III - petroleum, oils, lubricants (POL); Class IV - construction; Class VI - troop support; Class VII - major equipment; Class VIII - medical supplies; Class IX - repair parts.

(2) Services: Laundry, food service, transportation, billeting, utilities, maintenance and repair, and sanitation services.

(3) Construction: : Construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property.

Chapter Two

Legal Authorities, Limitations, and Policies

2-1. Introduction. This chapter addresses various authorities and limitations affecting contracting officers during contingencies. Contracting actions completed during these situations shall comply with statutory requirements, executive orders, and regulations unless a law or regulation authorizes deviation.

a. Assumptions.

(1) The environment for contracting is worldwide. Principles of contingency contracting are applicable to all contingency missions over the entire range of a given operation with considerations for short as well as long-term notification of mobilization.

(2) Because of the urgent/high priority nature of most supplies and services requested, reduced lead-times and expedited delivery requirements can be expected.

(3) Deployed contracting personnel will have authority to conduct business with foreign governments, commercial firms, and other forces in the theater where assigned or deployed.

(4) Limited authority and responsibilities for purchasing can be delegated to an ordering officer. (Appendix E).

(5) Normally, contingency operations above battalion size will be joint, combined, or unified operations under the command and control of a unified commander-in-chief (CINC) and joint or coalition headquarters.

(6) The joint task force commander will activate an acquisition board to coordinate service acquisition activities and to integrate the acquisition flow with the overall theater logistics operation.

(7) Existing U.S. Department of Defense contracting offices and contracts in the area of operations will be utilized wherever possible.

b. Limitations.

(1) Contingency contracting is one option available to fulfill logistics requirements. Others include LOGCAP, HNS and the existing supply system. Contingency contracting will be used, if advantageous, based on criticality, timeliness, quality, administrative effort and costs.

(2) Applicable agreements or lack of any U.S. international agreements such as Host Nation (HN), inter-service, status of forces, and other authoritative agreements in the theater of operations may limit the contracting officer's ability to satisfy some requirements.

(3) Legal review of all acquisitions is required in

accordance with procedures established by the HCA, based on complexity of legal issues involved and otherwise required by law, regulation or policy.

(4) United States public laws and Federal Acquisition Regulation (FAR), Defense FAR Supplement (DFARS) and Army FAR Supplements (AFARS) are not revoked or suspended by contingencies unless specifically exempted. Acquisition personnel must therefore comply with federal law and applicable regulations in contingency contracting.

2-2. Current Legal Authorities Under Emergency Conditions. In addition to implementing exceptions based on statute, the FAR/DFARS/AFARS provide additional exceptions under emergency conditions. Where justification exists, FAR procedures permit expedited contracting actions to satisfy urgent and compelling requirements. Such circumstances do not provide a blanket waiver of regulatory requirements. The following are examples of where existing authority can be used to expedite contracting actions:

a. Limiting sources in solicitations when an urgent and compelling requirement precludes full and open competition. FAR 6.302-2.

b. Omitting synopses of proposed contract actions when it would delay award and injure the government. FAR 5.202(a)(2).

c. Using oral solicitations, awarding letter contracts and other forms of undefinitized contract actions to expedite the start of work. FAR 16.603 and FAR 15.402(f).

d. Requesting authority to award emergency requirements before resolving a protest against contract award. FAR 33.104(b)(1)(i), AFARS 33.104 (b).

e. Allowing for the Acquisition of commercial items up to \$5 million (FAR 12.1).

f. For contracts to be awarded and performed or for purchases made outside the United States in support of military contingency, humanitarian assistance or peacekeeping operations, the simplified acquisition threshold is raised to \$200,000. (For the purpose of changes in the simplified acquisition threshold, the 10 U.S.C. 101(a)(13) definition of 'contingency' applies and the 10 U.S.C. 2302(7) and 41 U.S.C. 259(d) definition of 'Humanitarian or Peacekeeping Operations' under United Nations Chapter VI or VII applies).

g. Additional FAR Exceptions:

REFERENCE	SUBJECT	EXCEPTIONS ALLOWED
5.202(a)(2)	Synopsis	Not applicable for purchases conducted using simplified acquisition procedures, if unusual and compelling urgency exists.
5.202(a)(3)	Synopsis	International agreement, treaty or organization specifies the source of supply. For contracts by written direction of foreign governments reimbursing cost of acquisition.
5.202(a)(12)	Synopsis	Does not apply overseas if subject to the Trade Agreements Act or North American Free Trade Agreement (see Subpart 25.4).
6.001(a)	Competition Requirements	Does not apply to contracts awarded using the simplified acquisition procedures in FAR Part 13.
13.111(b)	Covenant Against Contingent Fees	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(c)	Restrictions on Subcontractor Sales to the Government	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(d)	Anti-kickback Procedures	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(e)	Audit and Records - Negotiation	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(f)	Contract Work Hours and Safety Standards Act	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(g)	Drug Free Workplace Certification	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
13.111(h)	Estimate of Recovered Material	Not applicable to contracts or subcontracts at or below the simplified acquisition threshold.
25.102(a)(1)	Buy American Act	Not applicable for items purchased outside U.S. and its territories.

25.302(b)	International Balance of Payments Program	Acceptable to buy foreign at or below the simplified acquisition threshold.
25.501	Payment in Local Currency	Contracts entered into and performed outside the US with local foreign firms will be priced and paid in local currency unless international agreement provides for payment in U.S. dollars or contracting officer determines local currency to be inappropriate.
25.703(a) and FAR supplement	Restrictions on Certain Foreign	Authorized to buy items restricted under 25.702(a) in unusual situations for use outside U.S. its possessions or Puerto Rico.
28.102-1(a)	Bonds	Miller Act 40 U.S.C. 270a-f, can be waived by the contracting officer for overseas construction.

h. AFARS exceptions allowed:

REFERENCE	SUBJECT	EXCEPTIONS ALLOWED
37.104-90 and DFAR 237-104 (b)(i)(B)(2)	Personal Services	Pursuant to 5 U.S.C. 3109, if advantageous to the national defense. Requires D&F.
1.602-3(b)(3)	Ratifications	Can be delegated to others by the HCA.
1.603-1-90	Contracting Authority of Other Personnel	Imprest fund purchases IAW FAR/DFARS 13.4. Fuel, oil, and emergency repairs IAW AR 703-1. SF 44 and purchase card purchases IAW FAR 13.505 and AFARS 13.90 provided that the individual has been trained and has a written authorization.

Note: Contracting officers should review these exceptions to fully understand their application and use. Although deviations and exceptions to regulatory and statutory procedures cannot be practiced during field exercises, contingency contracting can be applied to field conditions. There are urgency exceptions that apply during deployment. It is important to remember that requirements are driven by commanders and their logistics officers, not procurement personnel.

2-3. Local Purchase Policy for Outside Continental United States (OCONUS).

a. Local purchase, as a source of supply, may be employed at the Corps Material Management Center (CMMC) and Theater Material Management Center (TMMC) level to satisfy requisitions

submitted by supported Supply Support Activities (SSA). All purchase requests and Certification of Funding (DA Form 3953) documents should be validated by G-4s/J-4s.

b. Local purchase may be an option for any centrally managed, commercially available, Army assigned item provided such action is in the best interest of the government in terms of a combination of quality, timeliness, and cost that best meets the requirement. Local purchase may be used provided--

(1) Demand data will be recorded.

(2) The purchase will be limited to the immediate requirement but not to exceed 30 days of supply.

c. The following types of items are normally excluded from local purchase:

(1) Items directly related to the operation of a weapon or weapon system (e.g., classified or controlled electronics).

(2) Items with special security characteristics (e.g., cryptic, classified).

(3) Items of a dangerous nature (e.g., explosives, ammunitions).

Chapter Three

International Relations

3-1. General.

a. Providing support to the operation may require contracting interaction with foreign governments, commercial entities, Non-Governmental Organizations (NGOs) and Private Volunteer Organizations (PVOs). Contracting can be an effective force multiplier of combat service support for deployed forces. Contingency contracting requires an understanding of the legal aspects, funding issues, duties and responsibilities of procurement personnel, their interrelationships with support staff and advisors, and deployment preparation. The ability to deal with people who have vastly different cultures, backgrounds, perspectives, and, most importantly, business practices is another aspect of contingency contracting that will have considerable impact on contracting operations.

b. There may be deployments to remote areas where there is little or no US presence and the structured process of conducting business by the US is much more challenging.

c. Not to be overlooked is setting up Army contingency contracting offices within the United States for emergencies; possibly in areas where local citizens are unfamiliar with U.S. Government procurement procedures and whose local economy has little direct business from federal agencies.

3-2. Negotiating Practices.

a. Feedback from field exercises and recent conflicts has helped educate contracting personnel on several negotiating practices. Much of the business conducted by contractors overseas is by negotiation. They will negotiate most prices. The contracting officer's bargaining position is enhanced when the product or service is available elsewhere or when the requirement is not urgently needed. Local contractors know their immediate competition and will conduct business accordingly. Prices may be higher at the start of an operation due to shortages and great demand. Transportation and delivery may be hindered, depending on the emergency and location, causing costly delays.

b. Contracting personnel should be conscious of the fact that many business cultures expect "kickbacks", "finder's fees", exchange of gifts, or other gratuities that are illegal for U.S. personnel to provide or accept. Contracting officers must be vigilant in advising U.S. Commanders, logistics and engineering personnel, and ordering officers about practices which may violate standards of conduct as prescribed in DoD 5500.7-R, Joint Ethics Regulation.

3-3. Oral Agreements. It is prevalent in many countries to conclude an agreement or contractual understanding with nothing more than a handshake. This may occur at the outset of the contingency, humanitarian assistance or peacekeeping operation, but should be quickly followed with a written contract.

Contracts written in English may be viewed with suspicion and sometimes anger due to a lack of trust in governments other than their own. Signing a contract may become a challenge. When a local businessman or provider refuses to sign contractual documents, the ordering officer, purchasing agent or contracting officer must document the file with a Memorandum for Record (MFR) or annotate the SF 44, SF 26, SF 30, and SF 33. Contracting officers should always remember to keep oral communications simple and straightforward. Once a contract has been performed and the contractor has received payment, relations should improve. Despite this, local customs may predominate in conducting business.

3-4. Competition. Competition is essential in ensuring a fair and reasonable price. Market sources can be developed by posting and making solicitations available at a common bid board. Care must be taken not to relax restrictions that ensure competition in order to expedite contingency, humanitarian assistance or peacekeeping actions. Competition will aid in obtaining fair prices and market sources will develop through readily available solicitations. However, if only one responsible source is available, use that fact as justification for a sole-source procurement. Construction or logistical services under LOGCAP are exempt from competition rules due to the prior award through competition of the basic LOGCAP contract.

3-5. Local Business Practices.

a. Local business practices, a less than stable environment, and the contractor's lack of knowledge of our payment procedures may require contracting officers to arrange for immediate payment. Immediate payment can be made through purchase cards, imprest fund, Finance Officer's Representatives, or check. Payment for services may be appropriate at the conclusion of each workday, workweek, or upon each specified period of performance. Responsiveness of contractors is directly attributed to the timeliness of the finance officer. Advance payments are the least preferred method of payment and are not advisable. Contractors learn from each other and advancing pay to one may set a precedent. Also, recouping money or forcing a contractor to perform according to contract standards through negotiation and litigation after an advance payment may not get the mission accomplished in a timely manner

b. Local business practices of bargaining, hours of conducting business, and business on weekends or local holidays must be considered in the daily operations of the contract activity when determining delivery of the supplies or services.

3-6. Host Nation Support.

a. It is essential to establish a link with the host nation (HN) support teams and obtain cooperation from HN authorities and personnel to enhance the contracting officer's ability to fulfill the contingency contracting obligation. Contact with local authorities and higher headquarters will help determine whether there is HN support available. Before deployment, coordination with legal assistance, civil affairs units, the Defense Intelligence Agency (through unit S-2/G-2), G-5 and the U.S. Embassy will also be useful as possible sources for identifying contractor information in the area. A liaison officer should have knowledge of the HN laws, regulations, military command structure and coordinate with the HN to initiate on-site surveys. The liaison officer can be

located via the Roster of Key Security Assistance Personnel Worldwide published by the Defense Security Assistance Agency.

b. Reconnaissance visits to proposed contingency, humanitarian assistance or peacekeeping operation sites will help identify what support can be provided by the Host Nation. It must be emphasized to all parties that any preliminary joint site survey/reconnaissance visit is a military logistic liaison effort only and not for contractual arrangements.

c. To facilitate the contracting process with the HN, all requirements should be prepared in a consistent format. This reduces confusion and delays in later negotiations with the HN.

3-7. Multinational Programs. It is highly likely that a deployment will involve coalition forces and greater emphasis on multinational perspectives. Be aware that the international environment is governed by a myriad of statutes, directives, treaties and implementing arrangements for conducting transactions. Guidance concerning these matters should be sought from the HN support team, CINC CJ-4/7, and/or American Embassy.

3-8. Ethics. Especially for procurements conducted in foreign countries, contracting officers should ensure that the appropriate ethics regulations are observed. When ethical or procurement integrity (FAR Part 3.104) requirements conflict with local practices, contracting officers should explain to contractors the restrictions which are placed on U.S. procurement officials.

Chapter Four

Planning

4-1. General. The contracting officer must have a basic understanding of legal authorities, funding practices, and duties of contingency contracting. This chapter will focus on preplanning and preparatory actions for establishing local purchase capability. While not intended to be all inclusive, it will provide the contracting officer a good foundation and better perspective on the role of contingency contracting.

4-2. Planning and Preparation. Advance planning and preparation has proven to be critical to enable a contracting officer to hit the ground running. The areas addressed below provide a basic plan and package that contracting personnel must incorporate into a usable contingency plan. In the event of a deployment, the Head of the Contracting Activity (HCA) and Principal Assistant Responsible for Contracting (PARC) will specify organizational requirements tailored to the mission and location.

a. Personal and Administrative Preparations. The following is a list of required documents a contracting officer and contracting personnel should possess in order to initiate a contingency contracting operation:

(1) Official passport plus 6 to 10 extra photos for visas. This is required to move from country to country if necessary.

(2) Blanket travel orders with variations and Foreign Flag Carrier authorized on TDY orders. This avoids delays when traveling through unprogrammed areas.

(3) Authorization to hire/rent special conveyance.

(4) SF 1402, Certificate of Appointment as a Contracting Officer, with authority equal to potential responsibilities.

(5) A prepacked kit of regulatory guidance, forms, supplies, and equipment (Appendix F).

(6) International Driver's License.

(7) Civilian clothes. In some instances, military uniforms may not be advisable. The chief of the contracting office will provide further instructions regarding the wearing of uniforms.

(8) Imprest fund orders. These orders should be obtained in advance making them contingent on an actual deployment. This will expedite the establishment of an imprest fund buying for immediate requirements.

b. Requirements List and Site Surveys.

(1) The contracting officer should have a basic

understanding of the contingency requirements and contingency plans of the supported units. (See Appendix C, Checklists and Appendix O, Contingency Contracting Support Plan). Contracting officers can expect to: support engineers in the purchase of construction materials, with services contracts; contracts for stevedoring services; supplement transportation requirements with rental vehicles; and make arrangements so that deployed personnel will have billeting, latrine and refuse service, and showers. A more complete list is in Chapter 7.

(2) The contracting officer may have access to site surveys and existing logistics plans which will assist in identifying potential contractors for providing items on the requirements list. However, this is not feasible in all cases. When a site survey is not available, the contracting officer should create a contractor database as requirements are successfully purchased. In addition, maps can be marked to show locations of proven contractors. This is important so newly assigned contracting officers and personnel will not have to reestablish new sources. Local telephone directories are also an invaluable tool.

c. Funding and Availability of Supplies and Services to Support the Contingency Contracting Organization. Contracting officers should be prepared to take care of their own needs immediately upon arrival to the contingency area. Any questions as to funding, availability of equipment, need for interpreters, etc., should be addressed and resolved prior to deployment.

4-3. Deployment.

a. Advance Party. The officer in charge of the procurement function needs to arrive with the FAST (Forward Area Support Team). Ideally, the advance party should include, as a minimum, the contracting officer, finance officer's representative, comptroller representative/funds certifier, and an acquisition attorney. Bulk funds or an imprest fund of at least \$2,500 and a means to replenish the funds should also be provided. (The contracting officer or ordering officer should also carry an approved Government purchase card to facilitate the procurement process whenever and wherever possible.)

b. Typical Organization Structure. The PARC will arrive with an initial support staff of contracting personnel to establish the contracting organization within the first 30 days. Personnel within this deployment will coordinate with agencies that will assist in the contracting function (legal advisors, comptroller and funds certification officer, and command group for the theater headquarters.) The requiring organization will include contingency contracting officers and contracting support personnel in Time-Phased Force Deployment Data (TPFDD) and Processed for Overseas Movement (POM) when necessary.

c. Support Items Required Upon Arrival. Contracting officers should be prepared to take care of their own needs immediately upon arrival. The following items are essential in supporting an effective contingency contracting organization:

(1) A vehicle (assigned or rented) for making purchases, establishing supply sources, and picking up supplies

in the local market.

(2) An interpreter/guide. This person should not only be bilingual, but familiar with the local culture and market area as well. (Contact the local U.S. Embassy, if possible, for assistance.)

(3) The contracting office should make arrangements for some type of communications network, such as mobile radios and/or telephones, to ensure customers (Army units and organizations) can contact the contracting officer.

(4) Arrange for the Class "A" agent to accompany the contracting officer with local currency for local purchases when necessary.

d. Purchasing Rules. The contracting officer will develop procedures that will best support the customer's needs. This will entail establishing a set of rules for customers to follow when submitting requirements. The rules should include instructions on purchase descriptions, funding, approval channels, contract processing, pickup and delivery procedures, and quality control responsibilities. The rules should also discuss consolidating requirements, where possible, to avoid unnecessary trips to the contracting office when the deployed units are located at remote sites. The main thrust of the plan is to familiarize customers with the location, mission, and procedures to expedite purchasing and service contracting.

e. Locating Sources. One of the most difficult problems for the contracting officer at an unfamiliar deployment site is locating capable contractors to fulfill unit requirements. The following are suggestions a contracting officer may use to solve this problem:

(1) Use the knowledge of the interpreter/guide regarding local businesses. This person is a logical first choice for obtaining sources; however, the contracting officer must be careful to avoid a conflict of interest with local contractors and the translator.

(2) Logistics Civil Augmentation Program (LOGCAP) provides civilian contractors to augment logistics and combat service support activities. LOGCAP contracts may already be available for a specific area of operation. A desk guide may be obtained by contacting Headquarters, Department of the Army, Chief of Staff for Logistics, ATTN: DALO-POD, Washington, DC 20310-0500. Telephone (703) 697-4183, DSN 227-4183.

(3) The U.S. Embassy (if available) can be an excellent source of information. The defense attaché office in most embassies can help with currency conversions and storage of funds, as well as providing a source list of reputable contractors. In addition, the Embassy General Services Officer (GSO) may be able to provide some contracting support - particularly if the contract is to be written with the host country.

(4) Site surveys are an excellent tool to speed up the contracting process. Contracting officers should add sources to the site survey list as they become known.

(5) There are a multitude of ways of identifying sources. Some successful ways have included contacts with the Chamber of Commerce (or equivalent), business associations, local clergy, citizens, and local government leaders such as the mayor. The major hotel chains overseas have business offices which can help locate local sources of supplies. In addition, there is nothing wrong with asking other contractors where certain requirements might be obtained. The local yellow pages are an invaluable source of information on local firms.

(6) When possible a "bid board" must be posted in a public place at the contracting office for the purpose of displaying solicitations and announcing awards and proposed contracts.

(7) Coordinate with and assist local trade associations in disseminating information to their members.

(8) Since most major U.S. deployments receive considerable publicity, many firms with international offices will contact you to offer their goods and services. Also, it is recommended that you advertise large procurements in newspapers within the area of operations.

4-4. Operations Set Up.

a. Establishing the Contracting Office.

(1) Establish a central, but separate, location with adequate and secure floor space that is near your customers, other contracting support functions, staff judge advocate, finance, comptroller, and logistics activities. If this is not possible a consideration is to establish the contracting office in or near a first-class local hotel which normally caters to Western business people. This facilitates access to FAX, typing, translators, telephones, copiers, and provides a certain degree of security. It will also help contractors locate the office for business purposes. Office equipment consisting of desks, chairs, file containers, and at least one safe, are necessary. The office must be able to be secured if any cash is maintained. The location of the contracting office depends on the tactical situation and logistical scheme of operations.

(2) Field ordering officers or direct support contracting officers should be with their customers. The main contracting office (Forward Area Support Team) should be separate from individual billeting and located near the J-4/G-4 from whom you get your requirements and planning guidance.

(3) The initial response from local contractors may be immense. A screening of contractors should help establish sources and their capability. A system for business hours, waiting areas, and making appointments with contracting officers must be the first order of business. A clearing activity supported by HN and civil affairs personnel is vital from the start.

(4) Contact existing military and U.S. Embassy officials in the vicinity and exchange contracting information.

b. Role of Contracting Commander.

(1) Attend all logistics and engineering key meetings and establish communications with division and corps liaison officers and commanders. Also, attend daily intelligence/operations summaries meetings.

(2) Provide early and frequent briefings to the commander, his subordinate commanders, logisticians, and engineers.

(3) Identify the who, what, and when of critical requirements. Verify the requirement flow through logistical channels.

(4) Stay informed and in the information loop.

(5) Establish contact and coordination with finance, comptroller, HN, civil affairs, legal, and logistics organizations.

c. Mobility on Site.

(1) Obtain transportation and communication. Request, rent, lease, or buy vehicles. Establish commercial and DSN telephones, DDN electronic mail or SALTs data-burst SATCOM capability, FAX, and radio communications.

(2) Secure local telephone books or other reference data for locating sources of services and supplies.

(3) Obtain interpreter(s), if required.

d. Learning the Local Market.

(1) Locate local sources and document the information including the point of contact, supplies and services available, and responsiveness to help develop a bidders mailing list.

(2) Obtain maps of the surrounding areas of operations and determine the availability of common items of supply or services to help construct market survey packets.

e. Contracting Support Plans.

(1) Publish the Contingency Contracting Support Plan and ensure all functional areas have input and coordination in the plan. Contracting Support Plans (CSPs) assure full use of contracting resources including LOGCAP and HNS, and that contracting solutions also receive consideration in logistic planning for contingency deployments. CSPs set policies and outline procedures for contracting operations and establish, when required, intercommand agreements explaining contracting support relations between host and guest MACOMs during deployment. Copies of approved CSPs will be provided to supported activities, units, and functions.

(2) Implement the Acquisition and Contracting Annex to

the OPLAN as published by Unified/Joint Command, MACOM, Corps, or Division.

f. Redeployment.

(1) Start redeployment planning as soon as you deploy.

(2) During the redeployment phase, workload will most likely increase as troops are marshaling through an area for redeployment. Those life support items required during the buildup phase are once again needed for troops as they prepare to redeploy.

(3) All payments must be finalized and closed out, and appropriate documentation of actions should be on record.

Chapter Five

Funding Issues

5-1. Introduction. The funds certification officer certifies all purchase requests prior to processing by the contracting office under peacetime conditions. The contracting officer only gets involved in funding when the amount certified is insufficient. However, during contingencies, the issue of funding becomes more involved because of the urgency and source of the requirements.

5-2. Finance and Contracting Relationships. The Finance and Accounting Officer and Contracting Officer shall be co-located. Contracting officers must coordinate with the finance and accounting officer to ensure timely and accurate payments for supplies and services. Regardless of the method of procurement (i.e., SF 44, imprest fund, blanket purchasing agreement, purchase order, or contract), contractors conducting business in a hardship environment may warrant immediate payments in the name of good business.

5-3. Comptroller Support Relationships.

a. The funds certification officer from the requiring activity or the Office of the Comptroller will verify, through signature certification, the availability of appropriate funds or will certify bulk funding for multiple purchasing. Contracting officers are prohibited from purchasing or contracting without sufficient funds. The funds certification officer and contracting officer must work closely during any type of contingency to ensure that funds are appropriate, valid, and sufficient.

b. The bulk funding concept is the system whereby the contracting officer receives authorization from the certifying officer to obligate funds on purchase documents against a specified lump-sum reserved for that purpose over a specified period of time. Rather than obtaining individual obligation authority on each purchase document, funds are precommitted. Strict control of the bulk funds is necessary to preclude the misuse of funds.

5-4. Funding Procedures. Accounting classification codes are required on all contractual documents.

a. DA Form 3953, Purchase Request and Commitment (Appendix H). The funds certification officer certifies that funds are available on the DA Form 3953, Purchase Request and Commitment. The approved funds are an estimate of the amount which may be obligated by the requesting activity for a specific period of time and designated purpose. If the contracting office is issued a bulk funded DA Form 3953, the contracting office is responsible for maintaining a record of obligations and the remaining balance of funds on the reverse of the form.

b. Other Forms. Contracting officers may receive purchase requests on DD Form 448 or DD Form 448-1, Military Interdepartmental Purchase Request (MIPR). These are "one-time" funding documents which can be used only for the purposes stated on the form. These forms

require funding certification by the funds officer or designee prior to purchase (Appendix I).

c. Imprest Funds.

(1) Commanders with contracting authority are authorized to approve the establishment of imprest funds. The number of imprest funds shall be kept to a minimum. Normally only one imprest fund is authorized per command. Exceptions to this general rule may be justified for isolated activities.

(2) General guidelines for use of imprest funds for simplified acquisitions are as follows:

(a) The supplies or services are available for delivery within 60 days, whether at the supplier's place of business or at destination.

(b) The purchase does not require detailed technical specifications or technical inspection.

(c) The purchase is for transactions up to \$2,500 in support of contingencies.

(d) Imprest funds may not be used for payments of salaries and wages, advances, and cashing of checks or other negotiable instruments.

(e) Appendix B covers imprest fund procedures.

Chapter Six

Structure

6-1. General.

a. The consistent lesson learned in previous mobilizations and deployments, regardless of where they took place, has been the benefit of preplanning and having a trained contracting team available at a moments notice. Supporting this premise, the development of the Army Acquisition Corps has enabled Department of the Army to identify Functional Area (FA) 97 and Procurement NCO Additional Skill Identifier (ASI) G1 positions throughout the Army for this purpose.

b. The Military Acquisition Position List (MAPL) identifies those approved TOE positions throughout Corps, MACOMs, and Divisions which require Acquisition Corps officers. Corps, MACOMs, and their subordinate organizations must be augmented with trained personnel as necessary to support their respective mobilization plans.

6-2. Structure Overview.

a. This overview is an example of guidance for a large OCONUS deployment; however, this structure will not apply to all situations. Smaller deployments should be tailored to fit the mission requirements.

b. Geographic combatant commanders coordinate contracting operations within their commands. This requirement may be met through the CINC Logistic Procurement Support Board (CLPSB), which is a temporary board designed to achieve a properly coordinated acquisition program. The CLPSB is chaired by the senior logistician's representative and includes representatives from each of the component commands. CLPSB functions:

- (1) Coordinates with US Embassies and host countries for acquisition of supplies and services and for operations by contractors performing under US contracts.
- (2) Eliminates duplication by arranging for contracting assignments for specified supplies and services, when appropriate.
- (3) Provides an exchange of information among contracting activities covering such matters as sources of supply, prices, and contractor performance.
- (4) Provides guidance on consolidation of purchases.
- (5) Establishes procedures to coordinate procurement with theater supply operations.
- (6) Prescribes payment procedures consistent with currency-control requirements and international agreements.

c. The deployed contracting organization will usually include the HCA and PARC. The PARC may be dual-hatted as the Contracting Theater Headquarters Commander. All Army contracting offices within

the Army contingency area of operation will function under the contracting theater for procurement purposes. All deploying contracting officers and ordering officers without warrants and appointment letters, shall request that they be issued by the theater HCA or PARC. All deploying contracting officers and ordering officers will have their warrants and appointment letters from non-theater HCAs available and shall present their credentials to the theater HCA or PARC for validation. Non-theater HCAs shall not appoint contracting officers for in-theater contracting and shall not award contracts for in-theater services without theater HCA/PARC approval.

d. The PARC will immediately deploy contracting Forward Area Support Teams (FAST) consisting of contracting officers and ordering officers to the contingency site to perform initial purchasing. The size and number of teams will be dependent on the contingency, humanitarian assistance or peacekeeping operational requirements and operational requirements of the mission as determined by the HCA and PARC.

e. The support staff, contracting officers, contract administrators, contract specialists, procurement clerks, cost and price analysts, property administrators, and administrative personnel will deploy with the main element to establish the main contracting organization in the theater.

f. As the support staff arrives and becomes functional, the FAST teams will be integrated under the theater concept and assist in establishing regional contracting offices as identified by the HCA and PARC.

g. The regional contracting office will be in relative proximity to units and will be responsible for ordering officers working in remote areas.

h. As the contingency, humanitarian assistance or peacekeeping operation closes, the contracting function will reverse the build-up process, whereby the regional contracting offices will close out contracts and procurement actions turning functions over to the main contracting organization at the contracting headquarters. As needed, ordering officers and FAST teams will be maintained to continue contracting requirements. As the main element redeploys, a team of contracting personnel will remain in the area of operations until contracting requirements cease and ongoing procurement activity is closed out.

6-3. Theater Responsibilities.

a. Department of the Army. The Assistant Secretary of the Army (Research, Development, and Acquisition) [ASA(RDA)] will appoint the Head of Contracting Activity (HCA). The HCA implements operational plans based upon instructions from the ASA(RDA) and the Deputy Assistant Secretary of the Army (Procurement).

b. Contracting Theater Command. The HCA will be a General Officer. The HCA provides overall guidance throughout the contingency, humanitarian assistance or peacekeeping operation and acts as the approving authority as stipulated by the FAR, DFAR, and AFARS. The HCA also appoints a PARC. Additional

responsibilities of the HCA are:

- (1) Monitor plans originating from Army Staff.
- (2) Oversee processing of deviations, waivers, and special authorizations.

- (3) Approve warrants for contracting officers.

c. PARC/Contracting Commander. The PARC/Contracting Commander will be delegated specific responsibilities by the HCA. Additional responsibilities of the PARC/Contracting Commander include:

- (1) Deploy Forward Area Support Teams (FAST).
- (2) Coordinate with PERSCOM to deploy qualified contracting personnel under contingency conditions as needed.
- (3) Develop contracting regional offices and ensure contracting personnel are deployed forward.
- (4) Establish policies and procedures for developing, reviewing, and managing the contingency contracting process. This includes administrative plans to control documents, maintain records, and conduct audit trails of procurement actions for simplified acquisitions (imprest funds, SF 44s, purchase cards, etc.) as well as large contracts.
- (5) Coordinate intercommand agreements detailing contracting support relationships between MACOMs and other U.S. Military Services. This would include approving joint service contracting whether the function would be a means of supporting remote Army units or establishing a joint main element for contracting purposes.
- (6) Monitor procedures and the appointment of contracting officers and ordering officers.
- (7) Coordinate operational plans or requirements originating with Army Staff.
- (8) Review HNS, Status of Forces, and Assistance in Kind Agreements or any treaties which may provide--
 - (a) Billeting.
 - (b) Food, water and ice.
 - (c) Transportation.
 - (d) Utilities (to include communications).
- (9) Establish policies and procedures for Non-Appropriated Fund (NAF) contracting support.
- (10) Ensure automation for contracting is on-site for the main organization as well as forward offices to facilitate requisition document controls, priority processing, reporting

procedures, standard use of specifications for common and repetitive requirements, and a means of expediting accurate application of clauses and provisions.

(11) Provide input to Theater Command for accountability policy of contracted property (leased and purchased).

d. MACOMs and Divisions. Upon notification from the HCA and PARC (in coordination with PERSCOM, MACOM and Division) contracting officers and contracting support staff should prepare to initiate their Contingency Contracting Support Plan.

6-4. Peacetime Responsibilities: MACOM and Division tables of Organization and Equipment (TOE) have Major and/or Captain, Functional Area (FA) 97 positions allotted for contingency purposes. When not training, all FA 97 officers will normally perform procurement duties with the local contracting office, prepare and maintain a contingency contracting support plan and kit, and deploy for exercises with the parent organization. The commands must also ensure experience and formal training is made available not only for contracting officers (FA 97), but also NCOs with procurement/contracting Additional Skill Identifiers (ASI) G1, support personnel from logistics/supply, and Warrant Officers and NCOs for duty as ordering officers and CORs.

6-5. United States Army Reserve (USAR) and Army National Guard (ARNG) Personnel. USAR and ARNG personnel, FA 97, should be provided every opportunity to become proficient in the procurement arena. To accomplish this, Active Duty for Training (ADT) should be developed to qualify FA 97 personnel to deploy as needed with their assigned unit or replace at installation the deployed officers. This would include Warrant Officers and NCOs with logistical/supply backgrounds.

6-6. Organization Model.

a. General. This describes the contingency contracting organizational model consisting of four divisions or branches (Support, Contracts, Contract Administration and Simplified Acquisition). Although this model describes normal functions to be performed by contracting, commander's assessments of mission, workload analyses, position management, and policies may identify different arrangements. If mission, workload, and span of control considerations do not support establishment of the model organization, the model should be adapted to the local situation.

b. Principal Assistant Responsible for Contracting (PARC). The PARC is the senior acquisition advisor responsible for oversight and administration of the contracting function as planned and executed within the contracting activity, and is authorized to represent the Head of the Contracting Activity (HCA) for all delegated functions. The PARC is located at the contracting activity level with direct access to the HCA. The PARC shall head an organizational element reporting directly to the HCA. Typically the Office of the PARC provides oversight to ensure that all purchases subject to the FAR, DFARS and AFARS are properly executed by contracting officers selected and appointed pursuant to AFARS 1.603. The PARC also maintains surveillance over contracting performance to ensure adequacy of organizational

structure, staffing, and training programs of each contracting office.

c. Contracting Commander. The contracting commander commands all contracting activities assigned or attached to the contingency area and accomplishes missions assigned by the HCA and other competent authorities. The contracting commander may be dual-hatted as the PARC. Typically the Office of the Commander coordinates, plans, organizes, staffs, directs and controls the activities of the Contracting Command.

d. Chief of the Contracting Office. The chief plans, directs, and supervises purchasing and contracting for supplies, services, and construction for assigned customers. The chief may also be dual-hatted as the PARC. This office will typically--

(1) Approve actions requiring approval at a level above the contracting officer.

(2) Review contractual actions to assure compliance with statutes and regulations.

(3) Develop and execute a program to ensure maximum competition.

(4) Assure a positive program for audit tracking.

(5) Accomplish internal reviews to assure regulatory and procedural compliance.

e. Support Division. This division provides support services required to assure efficient contract execution and administration. It will typically:

(1) Administratively support the contracting office.

(2) Maintain records, process data, and prepare reports of procurement actions as required.

(3) Provide status reports and follow-up data to management.

(4) Operate the Standard Procurement System (SPS) or other automated systems.

(5) Perform cost and price analysis and on-site review of contracting documents. Identify areas for prevention of fraud, waste, and abuse for referral to proper authorities, and provide support for property administration.

f. Simplified Acquisition Division. This division performs the functions of planning, soliciting, executing and administering supplies, services, and construction procurements using simplified acquisition procedures. It will typically:

(1) Initiate and complete appropriate purchase actions for the acquisition of supplies and services and construction needs to support all assigned customers.

(2) Provide data for use in preparing procurement action reports.

(3) Prepare management reports as required (DD Form 350/1057).

(4) Resolve all adverse actions associated with small purchase requirements.

(5) Close-out completed purchase actions (Appendix Q)

(6) Operate an imprest fund.

(7) Operate a credit card program

(8) Provide control and guidance to Ordering Officers.

g. Contracts Division. This division performs the function of planning, soliciting and executing supplies, services and construction procurements utilizing other than simplified acquisition procedures. It will typically:

(1) Initiate and complete appropriate contracts for the acquisition of supplies, services and construction requirements to support all assigned customers.

(2) Assist customer activities in preparing performance work statements (PWS) and purchase descriptions; executing advance acquisition planning to ensure efficient and economical use of allotted time and funds.

(3) Resolve all adverse actions associated with acquisition requirements.

(4) Provide data for use in preparing procurement action reports (DD Form 350/1057).

(5) Prepare management reports as required.

(6) Perform the functions of planning, selecting, executing and administering purchases using non-appropriated funds for morale, recreation and welfare purposes in accordance with Army Regulation 215-4.

h. Contract Management Division. This organization is established primarily to provide an effective and efficient organization for administration and the management of contracts. All contracts, other than simplified acquisition, are candidates for transfer to this division. Service contracts require intensified contract administration and will be transferred to this division. This organization will typically:

(1) Administer contracts awarded by the contracts division from award to close out.

(2) Coordinate technical and administrative efforts to ensure the government's best interest is served when the customer receives the supplies and services established by the contract.

(3) Prepare and issue contract modifications,

administrative changes, and termination agreements.

(4) Assist and prepare or issue the contracting officer's decisions, replies to Congressional inquiries, litigation documents, and cure or show cause notices as required.

(5) Appoint CORs and oversee the quality assurance, surveillance and evaluation of contract performance.

(6) Close-out completed contracts (Appendix Q).

(7) Contract administration should be delegated to DCMDI when deployed in theater.

Chapter Seven

Duties and Responsibilities

7-1. Introduction. Initial procedures and responsibilities required in purchasing under contingency, humanitarian assistance or peacekeeping operational conditions rest with the requiring unit/activity/organization.

7-2. Unit Responsibility for Local Purchase Requests.

a. Unit personnel responsible for purchasing will--

(1) Submit DA Form 3953, Purchase Request and Commitment (or equivalent requisition document).

(2) Correctly complete item description and end item application on the request form.

(3) Ensure the commander or designee of the requesting activity has reviewed the request for validity and signed.

(4) Verify non-availability by MILSTRIP requisition.

(5) Ensure the requirements are not split to avoid a local purchase dollar limitation.

(6) Obtain funding.

b. Preparation instructions for DA Form 3953 are at Appendix H.

7-3. Contracting Officer's Duties and Responsibilities. Contracting officers may find themselves more involved in all types of procurements than in a peacetime role. Maintaining standards of conduct and conflict of interest policies may prove to be more challenging, particularly overseas. Issues or questions which may arise should be addressed with the standards of conduct legal advisor. Duties that may violate conflict of interest (that is, verifying requirements, certifying funds, receiving, and paying for goods and services) should not be given to the contracting officer. Additional duties such as Article 32 officer, reports of survey, Survivor assistance officer or escort, etc., should not be given to the contracting officer.

a. Management. A system which will establish an audit trail of all purchase requests and their status must be maintained. These records are critical to keep commanders informed, work with the comptroller, and ensure each rotation of contracting personnel has a history of previous procurement activity.

b. Systems Management. Standard Procurement System (SPS) or an equivalent system will be available to facilitate the management of purchases and produce the actual purchasing documents. Laptop computers with portable printers will assist contracting offices.

(1) Requirements of systems management are assignment and control of purchase orders and contract numbers, and reconciliation of records with finance and comptroller.

(2) Reporting requirements, such as the DD Form 350 and

DD Form 1057, will continue to be submitted.

(3) Automation will greatly facilitate processing of procurement actions and assure appropriate placement of clauses and provisions.

c. Services and Construction Requirements. Local standards and customs for construction materials and measurements may require greater attention. Statements of Work (SOW) may require translation. Requiring activities must supply as much information as possible (this includes sending a representative when necessary). Final acceptance of construction projects will be done with a qualified government (military/civilian) subject matter expert

d. Real Property. The contractual responsibilities of the Corps of Engineers (USACE) in support of a deployment will vary depending on the extent to which OPLANs assign responsibility to USACE. At a minimum, USACE participation in a deployment would involve settling real property transactions. Those USACE representatives assigned may be from the nearest USACE district office, depending on district boundaries. The volume and magnitude of construction contract requirements will be determined by engineering units or assets.

e. By regulation, the USACE is responsible for the leasehold acquisition of real property assets by the Army. Claims arising from the occupancy of real property by U.S. Forces are to be referred to the USACE representatives for settlement (See Chapter 9).

7-4. Buying Supplies.

a. Purchase/Receipt/Delivery. The contracting officer can expect an expanded support role during contingency, humanitarian assistance or peacekeeping operations. Because reliable telephone service may not be available, vendors may have to be contacted in person. In addition, many of the initial business transactions will be "cash and carry," conducted by the contracting officer and finance officer's representative or an ordering officer.

b. Paying for Supplies. The Finance Officer's Representative, is responsible for making cash payments for purchases.

c. Referrals. The contracting officer may receive a number of purchase requests for items which are not available in the immediate area but may be available at a location serviced by another contracting office. If the deployment base has routine airlift to and from another military installation, the requirements may be satisfied by referring the purchase request to another contracting office. Open referrals must be documented and the action followed until completion.

d. Transportation Costs. Where military lift or transportation is not available, transportation costs must be considered in determining the material cost levels to provide supplies not available in the contingency area. Transportation costs can range from one third to more than the cost of the item procured due to the remoteness of the area, in-route security, and other factors.

Consideration must also be given to the host country's custom rules and duties before ordering supplies and services.

e. Audit Trail. The importance of accurate purchase documentation cannot be over emphasized. Since normal checks and balances may not exist in the initial phase of the contingency, contracting officers must maintain accurate data on each purchase to answer any questions during and after the purchase.

f. Typical Supply Requirements. While an accurate list of requirements at every contingency location is not possible, it is useful to have an idea of what was required during previous deployments. This can help in determining types of catalogs (preferably those with pictures) contracting officers should include in contingency kits. The pictures are a means of showing contractors what is needed in the event of a language problem. Listed below are some requirements gathered from previous exercises:

- (1) Construction Materials.
 - (a) Sand, gravel, sandbags.
 - (b) Cement.
 - (c) Pipes, valves, fittings.
 - (d) Lumber, plywood.
 - (e) Electrical parts.
 - (f) Plumbing supplies.
- (2) Administrative Supplies.
 - (a) Paper, pencils.
 - (b) Voltage adapters
 - (c) Other office supplies.
- (3) Replacement Parts.
 - (a) Vehicles.
 - (b) Common equipment (for example, fans, ovens, heaters, air conditioners, etc.).
 - (c) Heavy construction equipment.
- (4) Medical Supplies.
 - (a) Bandages, gauze.
 - (b) Splints.
 - (c) Medicines.

- (d) Medical Equipment.
- (5) Subsistence (See Note).
 - (a) Water, potable and non-potable.
 - (b) Fresh fruits and vegetables.
 - (c) Bread.

NOTE: Only those items of subsistence that have prior clearance by the G4 and support veterinarian may be purchased. Consideration should also be given to local cultural issues and customs.

7-5. The unit PBO will

- (1) Obtain local purchase authority from the Supply Support Activity (SSA) and request local purchase by the unit ordering officer.
- (2) As the functional expert, determine whether the property is non-expendable (requires property book account ability), durable (requires hand receipt accountability only), or expendable (no accountability required).
- (3) Upon receipt of supplies and equipment, process the receipt documentation.

7-6. Buying Services and Construction. Buying services and construction is usually more complicated than buying supplies. It is much simpler to describe a product than to describe a service or level of effort needed to satisfy a requirement. Because of these limitations and the ongoing nature of the work involved, the following actions should be taken in every case:

- a. A detailed Statement of Work (SOW) must be prepared by the requiring activity. Boilerplate SOWs of basic requirements should be an integral part of the contingency kit (samples at Appendix F). When possible, this will have to be done in both english and the host languages to ensure understanding by the contractor.
- b. A Contracting Officer's Representative (COR) must be available from the requiring activity to monitor performance.
- c. In repair contracts, the contracting officer should require a hand receipt when government property is given to a contractor for repair services.
- d. Service and construction contracts must be in writing, not only for the contractor's benefit, but for the Army's.
- e. Contracting officers shall provide a Price Negotiation Memorandum (PNM) to document how a fair and reasonable price was determined. (AFARS 15.808)
- f. Appropriate construction and service provisions must be included in the contract. Additionally, if supplies are being procured as a part of either type of contract, the applicable supply clauses must be inserted.

g. The contracting officer, with the COR, must establish a system for monitoring contractor performance and progress. A quality assurance process and surveillance plan should be prepared to define how quality will be assured and how the Government will oversee the provision of goods and services by the contractor.

h. Service and construction requirements in past operations include:

- (1) Services.
 - (a) Billeting/Facility rentals.
 - (b) Non-tactical vehicle rentals and maintenance.
 - (c) Commercial communications services (if available).
 - (d) Interpreter/Translator services.
 - (e) Civilian labor service.
 - (f) Utilities services.
 - (g) Typewriter, calculator and office equipment repair.
 - (h) Furniture repairs.
 - (i) Radio repairs.
 - (j) Emergency tow services.
 - (k) Refuse collection.
 - (l) Latrine services.
 - (m) Laundry service.
 - (n) Stevedore services.
 - (o) Shower/bath services.
 - (p) Waste oil disposal services.
 - (q) Material Handling Equipment (MHE) lease and repairs.
 - (r) Mortuary Services
- (2) Construction.
 - (a) Paving.
 - (b) Revetments.
 - (c) Fences/barriers.

- (d) Temporary structures.
- (e) Maintenance/repair of existing structures.
- (f) Signs
- (g) Gravel/Sand/Dirt

7-7. Contract Management.

a. Contract Administration. The contracting officer may be limited as to the number of site visits because of geographic limitations and considerable workload, and therefore, is dependent on the contracting officer's representative (COR) for assistance. CORs conduct site visits to ensure that service and construction contractors are performing in accordance with IAW the terms of the contract. Every effort must be made on the part of the COR to avoid an action or open dialogue with the contractor during site visits that can be interpreted as an oral change order (a type of "constructive change" to the contract). However, if such changes occur, the contractor can submit a claim (if agreement cannot be reached it will be handled as a dispute). In instances where the COR determines contractor performance must be halted, the COR will request that the contracting officer issue a stop work order.

b. Approving and/or Making Payments. Any ongoing construction or service contract may require progress payments. A progress report is needed from the COR stating how the contractor is performing and the percentage of work completed. This information should be well documented so the contracting officer can determine the amount of the progress payment. Where possible, establish pre-agreed stages for in-process reviews (IPRs), such as: foundation poured, inspected, and approved at which time a progress payment would be made. These periodic reports will also be used to determine final settlement when the contract is closed out.

c. Contracting Officer's Representative (COR) (Appendix D).

(1) CORs are generally subject matter experts or specialists in some specific area. They advise the contracting officer regarding details of the supplies or services purchased.

(2) CORs monitor contractor compliance and assist in administration of the particular contract. The COR plays a key role in the government's quality assurance responsibilities and typically monitors the progress of, inspection, and acceptance of supplies or services delivered to ensure timeliness, quality, and conformance to specifications.

(3) Contracting officers will thoroughly brief assigned CORs as to the scope of their responsibilities and review the requirements of the contract to ensure the COR understands the requirements and standards.

(4) CORs are nominated by the requiring activity and appointed in writing by the contracting officer. CORs are limited to the authority stated in their letters of appointment and will not have the authority to change the contract.

Chapter Eight

Contracting Procedures During Contingency Operations

8-1. General. Two areas of concern are the requirement and the various contracting instruments available to the contracting officer. The flexibility needed to satisfy most requirements by the contracting officer can be met by using simplified acquisition procedures such as imprest fund purchases, Standard Form 44 (Purchase Order-Invoice-Voucher), DD Form 1155 (Order for Supplies and Services), SF 1449 (Solicitation/Contract/Order for Commercial Items), blanket purchase agreements, and purchase card purchases. (FAR 13)

8-2 Competition and Oral Solicitations. Purchases over \$100,000 (\$200K when authorized), during contingencies will normally be made through negotiations because discussions with offerors will usually be necessary. While the time necessary to make a large purchase will normally be greater than that of a simplified acquisition, there are exceptions available to expedite the process.

a. The contracting officer need not seek full and open competition if the agency's need for the supplies or services is of such an unusual and compelling urgency that the government would be seriously injured unless the agency is permitted to limit the number of sources. Purchase requests citing Uniform Material Movement and Issue Priority System (UMMIPS) codes 01 through 04 reflect a compelling urgency but cannot be used as sole justification to limit sources. Sufficient rationale must be provided by the requiring activity to the contracting officer for a written justification and approval in accordance with (IAW) FAR 6.302-2, 6.303 and 6.304. To prevent abuse of the UMMIPS coding system, it is recommended that all purchase requests, regardless of origin, be first channeled through either the Assistant Chief of Staff, Logistics (G4), or Supply Officer (S4) who will determine the following:

- (1) If it is legitimate and authorized.
- (2) If it should be filled contractually, and if so--
- (3) That the priority of the requirement is validated.

The S4/G4 sets logistical priorities which should eliminate confusion over prioritizing 01-04 requisitions. When in abundance, high priority requisitions tend to have equal urgency and slow down the process.

b. A written solicitation is labor and time intensive. An oral solicitation is permitted under FAR 15.402(f) for perishable subsistence. For other supplies and services, an oral solicitation may be used when a written solicitation would delay the acquisition of supplies and services to the detriment of the government. This does not alleviate the contracting officer from complying with all other regulatory requirements. The contract file shall include:

- (1) A justification for use of an oral solicitation.
- (2) Item description, quantity, and delivery schedule.

(3) Sources solicited, including the date, time, name of individual contacted, and prices quoted.

(4) The solicitation number provided to the prospective contractors. The contracting officer's documentation must provide sufficient rationale for the use of oral solicitations, (A reference to the UMMIPS code is not sufficient rational).

c. Once the contracting officer completes the oral solicitation and determines award, a contract will be prepared for the contractor's signature as quickly as possible. Any delay requires a further explanation in the contract file describing the reasons for the additional delay. Sample contract formats, preprinted forms, and copies of the required clauses in the contingency contracting support kit will accelerate the contracting process.

8-3. Ratifications.

a. When the contracting officer is not one of the first people to arrive at the deployment site, unauthorized actions may undoubtedly occur at a greater rate. The government may assume liability through a ratification process. Ratification actions should be processed in the shortest time possible.

b. It must be made clear to all individuals that if ratification is not possible or permissible, the individual responsible for the unauthorized act may be held liable for the costs of this action.

c. The HCA may delegate to the PARC ratification authority up to \$100,000. Also, to further expedite the processing time, the HCA can delegate ratification authority to the Chief of the Contracting Office for actions valued at \$10,000 or less.

d. The process for ratification of unauthorized commitments should be established prior to deployment and widely publicized to and by commanders.

e. At the same time, prevention of unauthorized procurements must be stressed. These incidents occur without conscious intent, especially when dealing with the HN. If a U.S. Forces member asks for an item or service, the HN will normally make every attempt to fulfill that request, regardless of proper authorization.

8-4. Selection of a Contract Type.

a. The contracting officer makes the decision on the type of contract to use. This decision is made on a case-by-case basis. The objective is to select the contract type that places a reasonable degree of risk upon the contractor and provides the contractor with the greatest incentive to perform efficiently and economically. Consideration will be given to the factors in FAR 16.104, as well as the stability and predictability of the requirement, the specificity of the description of work, and the quality and availability of historical workload data. Contracting officers must ensure each contract file includes documentation explaining why a particular contract type was

chosen.

b. Contracting officers are cautioned that combination contracts, composed of two or more contract types, must be applied with care. Such contracts should be used only if the work can be described and contracts executed and administered in a manner that ensures the work is performed and the contractor is paid under the terms and conditions which the work was originally negotiated and priced.

c. The type of contract selected will determine both the clauses to be included and the degree of risk accepted by the government. The selection of contract type during a contingency, humanitarian assistance or peacekeeping operation will be more difficult because customer needs may easily be understated or overstated. Often times deployment needs will change daily or even hourly. In these cases, a customer's inability to accurately plan must be taken into consideration when determining the type of contract to use.

d. Types of Contracts.

(1) Time and Materials Contracts (FAR 16.601).

(a) Time and materials contracts are used to acquire supplies or services on the basis of--

(i) Direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit.

(ii) Materials at cost, including (if appropriate) material handling costs.

(b) A time and materials affords the contractor no positive profit incentive to control material or labor costs effectively. Yet this contract type is often the only effective one for repair, maintenance, or overhaul work to be performed in emergency situations. This type of contract may only be used--

(c) A time and materials contract may be used only after the contracting officer executes a written determination and finding that no other contract type is suitable. When the contract includes a ceiling price, the breach of which is at the contractor's risk. If the ceiling price is subsequently raised, the contracting officer shall document the contract file justifying the increase.

(d) In awarding a time and materials contract, the agreed upon hourly rate per direct labor hour is an important source selection factor, but more important is the contractor's technical and managerial skills to include his reputation for getting the job done. It is significant to understand that the contractor gets paid for hours and materials expended; accordingly, awarding to a marginal producer may not be wise over the duration of the contract.

(2) Indefinite Delivery Contracts (FAR 16.5 and DFARS 216.5) The three types of indefinite delivery contracts are

definite-quantity, indefinite-quantity, and requirements contracts. The requirements contract is most likely to be of benefit in a deployment. It has several advantages:

(a) Money is obligated only when the government issues a delivery order against the contract. (Delivery orders are prepared on the DD Form 1155 and contain information similar to a purchase order with some minor differences. (See Appendix J).

(b) The contract price can be based on firm fixed price or cost reimbursement. The prices agreed to can be derived from either catalog or market prices.

(c) Prior to the end of the contract performance period, a written notification is sent to the contractor, after which the government stops issuing delivery orders. The contractor has the burden to prove if additional compensation is warranted.

(d) The inclusion of maximum and minimum order quantity limitations is encouraged when feasible. These contractual limitations are negotiable, with the result that purchase requests for requirements above or below contractual quantity limitations may not result in delivery orders being placed. They will be treated as either a separate, small, or large purchases. The success of the contract depends on the ability of the customer to develop realistic estimates of their needs.

(e) Requirements contracts have the flexibility needed to support deployment without the financial risk and administrative burden that a cost-reimbursement contract would pose. In short, under a requirements contract, one only orders what is needed, when it is needed, and only pays upon acceptance.

(f) Ordering officers can be authorized to issue delivery orders against a requirements contract. The contracting officer may wish to limit that authority in order to control/monitor the volume and cost of orders placed under the contract.

(g) Requirements contracts are typically written for a one-year period based on estimated repetitive needs. Accordingly, supplies and services for which there are repetitive needs should be reviewed to see if a requirements contract might be suitable. One way to determine this is to review the number of simplified acquisition actions being made for the same items. Another way would be to discuss projections of future needs with the G4/S4.

(3) Cost-Reimbursement Contracts (FAR 16.305). There are few contractual requirements that can not be accomplished by a cost-reimbursement contract. A cost-reimbursement contract requires an acceptable accounting system that will allow tracking of costs that are allowable, reasonable, and allocable to the contract. Under deployment conditions there may be no way to determine the acceptability of an accounting system. Additionally, cost-reimbursement contracts require the inclusion of an auditing clause which may be unacceptable to foreign

contractors. Additionally, obtaining auditing support may be difficult.

(a) The administration of a cost-type contract can be complex and labor intensive. This should be considered when determining contract type under contingency conditions. If there are language and/or cultural barriers to overcome, the contracting officer may experience difficulties in explaining the basis for reimbursement of costs and fees.

(b) If a cost reimbursable contract is still desirable, one of the most advantageous to the government would be the cost-plus-award-fee. In the contingency contracting arena, this type of contract is service-oriented and provides for the reimbursement of allowable costs, the payment of a base fee and an award fee. Both fees are based on the estimated cost to complete the contract, not actual costs incurred. Since the base fee is essentially fixed, contractor motivation is maintained through the subjective determination of how much award fee the contractor should receive.

(4) Fixed-Price Contracts (FAR 16.202). Under a fixed-price contract the government must be able to describe exactly the desired contract results and allow the contractor the flexibility to plan, manage, and execute the work in order to achieve those results. During a contingency, humanitarian assistance or peacekeeping operation, this type of contract has tremendous advantages as the performance and cost risk responsibilities lie with the contractor. The firm fixed-price contract entails less administration and as long as the requirements are clearly identified, the contractor should perform and be paid in a timely manner.

(5) Unfinitized Contract Actions (UCA) (DFARS 217.74)

(a) Unfinitized contract actions are those for which the contract terms, specifications, or price are not agreed upon before performance begins. UCAs shall be approved in advance by the Head of Contracting Activity (HCA).

(b) Requests for approval to issue an unfinitized contract action shall include a written statement of urgency as required by DFARS 217-7404.

(c) If the contractor refuses to sign a bilateral contract and the contractor is the only vendor who can perform the contract, the following recommendations are provided:

(i) Write the contract as if the contractor is going to sign.

(ii) Have it witnessed that the contractor refuses to sign (but is willing to do the work).

(iii) Put a memorandum in the file with the contract stating the situation.

(iv) Review the requirements with the contractor and provide a verbal approval to proceed.

(v) The contracting officer must ensure contractual requirements are adhered to in providing the service in a timely manner at a reasonable cost.

(vi) The contracting officer should provide a copy of the requisition and memorandum documentation to the requester, finance, and retain one copy for file.

8-5. Purchase Request Documents.

a. Contracting is only one tool of the system to provide supplies and services to U.S. Forces in an area of operation. All requests for supplies or services are processed in the same manner, with the J4/G4/S4 approving whether the supply or service is filled from the military supply system, HNS, LOGCAP, or by contract.

b. Purchase requests can be made on many different forms (DD Forms 1348-1, 1348-6, DA Form 3953 and DD Form 448 are just a few). Regardless of the type of document, three requirements must be met:

- (1) A complete item description.
- (2) Certification of funds.
- (3) Citation of local purchase authority.

c. For simplified acquisitions, a good description might include the item name, part number/stock number, a picture, or sample of the item (to show potential vendors), the customer's name and organization, and a point of contact. For services and construction requests, the contracting officer will need a complete SOW and name of the customer's COR nomination who will be providing technical support. The SOW should include a detailed, performance oriented, description of what is expected of the contractor; what the government needs, not how it should be accomplished.

d. The total amount of funds certified and the final obligated amount must be designated in dollars. The final obligation should be annotated on the purchase request. Conversion rates at the time of award should also be noted.

e. Requiring activities will provide a list of personnel authorized to certify funds for purchases. Funds certification cannot be further delegated. Signing for the certifying officer is not acceptable.

8-6. Imprest Fund (Appendix B and K).

a. The Imprest Fund. This cash fund of a fixed amount is established by an advance of funds to a duly appointed cashier for the purpose of making immediate cash payments of relatively small amounts for authorized supplies and nonpersonal services. The amount of the fund will be based on the estimated monthly usage of the fund. Imprest funds are established by commanders of installations or activities who have contracting authority. In addition, an alternate cashier will be appointed to act as a

backup for the primary cashier. In no event shall an imprest fund cashier have access to or control of more than one imprest fund.

b. Application. Dollar ceilings for transactions are \$500, but are raised to \$2,500 for overseas transactions in support of a contingency, humanitarian assistance or peacekeeping effort. The use of the fund must be considered advantageous to the government. The requiring activity must submit a request to initiate use of the imprest fund.

(1) The purchasing information is annotated on a purchase request document and signed by the contracting officer. A purchase requisition, SF 1165 (Receipt for Cash-Subvoucher), and the vendor's sales document may be used to support the purchase.

(2) The requisition document must itemize the supplies or non-personal services to be purchased and indicate the estimated cost. Competition is required anytime the contracting officer does not think that the price is fair and reasonable. Rotating suppliers in the same manner as any other small purchase method should be used to the maximum extent possible.

(3) Material purchases will be delivered to a designated point and the receiver will examine and accept the supplies on either the vendor's invoice or the SF 1165. When the vendor cannot deliver, an authorized person may be designated to pick up the supplies. In this case, an advance of funds will be drawn from the cashier, annotated on an SF 1165, and paid to the vendor. The receipt from the vendor will be returned to the imprest fund cashier with the SF 1165 signed by the vendor as having received a cash payment (FAR 13.4).

c. Responsibilities of the Imprest Fund Cashier. The imprest fund cashier is personally responsible for the money and accountable to the finance and accounting officer. The cashier is also responsible to the contracting officer for the administrative operation of the fund. Every effort must be taken to safeguard the fund. The money should be kept in an adequate safe and securely locked. Cash is kept in an amount sufficient to meet minimum mission requirements.

(1) Pending documentation of receipt of supplies, the cashier maintains an active file of purchase request documents for all fund purchases. Prior to payment, the cashier must match the purchase request document against the request for payment. Finally, the cashier certifies that the supplies were received and the price paid matches the payment request.

(2) Whether the imprest fund is used for vendor delivery payment, receipt by parcel post, or payment for services, the cashier must make certain that each purchase has the required documentation. The verified SF 1165 and the properly executed sales document become a subvoucher which will later be used to reimburse the fund.

(3) Upon presentation of an authorized document with the necessary certification of receipt for supplies or services,

the cashier pays the supplier and obtains the certification of cash payment.

d. Reimbursement of the Imprest Fund. At least monthly, the fund is reimbursed by use of the SF 1129, Reimbursement Voucher, and supported by the cashier's subvouchers. At the close of the fiscal year, a reimbursement voucher covering all remaining subvouchers through 30 September is submitted before closing the allotment accounts for the month. When a vendor refunds cash prior to the submission of the SF 1129, the invoice must be annotated accordingly. If the refund occurs after submission of the SF 1129, the refund is submitted to the disbursing officer and the receipt is filed in the funds records.

8-7. Standard Form 44, Purchase Order-Invoice-Voucher. Standard Form 44, Purchase Order-Invoice-Voucher, (FAR 13.505) is a pocket-size purchase order form designed primarily for on-the-spot, over-the-counter purchases of supplies and nonpersonal services. It can be used as a purchase order, receiving report, invoice, and public voucher. The procedures for its use are covered in Appendix G.

a. Since the SF 44 contains no written terms and conditions, its use is authorized only when no other small purchasing method is considered more economical or efficient and all of the conditions listed below are met:

(1) The supplies or services are immediately available.

(2) One delivery and one payment is to be made.

(3) The amount of the purchase is at or below the micro-purchase threshold.

b. Warranted contracting officers may use the SF 44 for overseas transactions in support of declared contingencies, humanitarian assistance or peacekeeping operations for amounts up to \$200,000. Like imprest funds, the SF 44 may be used by persons other than the contracting officer provided the individual:

(1) Has written authorization from the contracting officer. The contracting officer should give a copy of the written authorization to the finance and accounting officer, in effect, delegating authority to sign a contract instrument.

(2) Has been trained by the contracting officer to use the form.

c. The buyer is responsible for ensuring that funds are available, that the form is properly processed, and that only authorized items are purchased. Care should be exercised to maintain physical control and accountability of the forms.

8-8. DD Form 1155, Order for Supplies or Services.

a. Purchase Orders. Purchase orders (FAR 13.5) are self-contained, one-time contracts which typically result in one

delivery and one payment. DD Form 1155, Order for Supplies or Services, when used as a purchase order, is authorized for purchases not to exceed the simplified acquisition threshold. Vendors are solicited orally or in writing. The DD Form 1155 is filled in with appropriate information such as shipping, prompt payment discounts, financial data, vendor, quantities, price, and additional data. The form is then mailed, hand carried, or picked up by the vendor, who will either perform the order or sign the back and return it, thereby promising to perform the order. When the item requested has been received or the service requested has been performed, the bottom of the front page may be used as a receiving report for the government. (See Appendix J)

b. Clauses. To protect the interests of the government, unilateral purchase orders should incorporate by reference those applicable clauses listed at DFARS 213.507(a)(i). Use of Alternative I to subparagraph (1) of the Disputes Clause at FAR 52.233-1 is recommended. For those purchase orders requiring the contractor's written acceptance, the clauses at DFARS 213.507(a)(ii) shall be included. Because delivery orders are written against a contract or agreement, the terms and conditions of the basic contract or agreement apply to any delivery orders issued.

c. Modification of Purchase Orders. The SF 30, Amendment of Solicitation/Modification of Contract, is used to modify DD Form 1155 purchase orders. If the contract is bilateral, both parties must agree to the modification unless it falls within the Changes Clause. In addition, a unilateral contract may be changed to a bilateral contract by using the SF 30.

d. Unilateral or Bilateral Action. A unilateral agreement is defined as a promise in return for performance (service or supply), while a bilateral contract is defined as a promise in return for a promise. Most DD Form 1155 actions are unilateral; that is, the government simply sends the vendor the form which authorizes him to perform immediately. Once the vendor has performed, the government is obligated to pay. The vendor is under no duty to perform, since the government's DD Form 1155 is merely an offer which he may accept by performance or refuse to accept by failing to perform. If the vendor fails to deliver, no contract has been breached nor defaulted since no contract existed.

(1) On the other hand, once the vendor has signed the acceptance and mailed it to the contracting officer, a bilateral contract exists and the government has the right under the Termination for Default Clause to terminate the contract if the contractor fails to perform according to its terms and to charge the defaulted contractor with the excess costs of reprocurring the requirement.

(2) The form is used as a bilateral contract when there is a relatively long lead-time, when a more complex contract calls for a greater amount of contract administration, or when previous experience with a supplier indicates a desirability to possess greater leverage through inclusion of Termination for Default Clause.

e. Withdrawal of Purchase Order. Unilateral purchase orders include provisions to allow termination for convenience or default.

(1) A notice of withdrawal should be in writing with a request for written acknowledgment by the contractor. Once the contractor has begun performance on an order, the government has lost its absolute right to withdraw without cost or liability.

(2) If it becomes necessary to terminate such a purchase order, the contractor should be asked to agree to a cancellation of the order without cost or liability. If the contractor refuses to agree to a no-cost settlement, the case is referred to the legal office and action is withheld pending advice from a lawyer.

(3) If the contractor has incurred costs in reliance on the purchase order, an agreement will be negotiated to reimburse him for those costs.

f. DD Form 1155 as a Delivery Order. This form is also the basic document used as a delivery order against indefinite delivery type contracts. Delivery orders are orders for supplies or services placed against an established indefinite delivery contract. A requirements contract contains all appropriate terms and conditions but does not specify exact quantities of supplies or services required. Additionally, a requirements contract does not obligate dollars until a delivery order is issued. As exact requirements become known, a DD Form 1155 is sent to the supplier and this initiates the delivery of supplies or services specified in the delivery order, subject to the terms and conditions of the existing requirements contract. A requirements contract obligates the government to buy all of its requirements from the contractor. Delivery orders may be terminated, modified, or changed in accordance with the terms and conditions of the requirements contract.

8-9. Blanket Purchase Agreements.(FAR 13.2)

a. A blanket purchase agreement (BPA) is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply. BPAs are designed to reduce administrative costs in accomplishing simplified acquisition by eliminating the need for issuing individual purchase documents.

b. Contracting officers may establish BPAs when there is a wide variety of items in a broad class of goods (e.g., hardware) that are generally purchased but the exact items, quantities and delivery requirements are not known in advance and may vary considerably.

(1) A BPA should be established without a purchase request.

(2) A BPA shall not cite accounting and appropriation data.

(3) BPAs should be made with firms from which numerous

individual purchases will likely be made during a given period. For example, if past experience has shown that certain firms are dependable and consistently lower in price than other firms dealing in the same commodities and if numerous simplified acquisitions are usually made from such suppliers, it would be advantageous to establish BPAs with those firms.

(4) To the extent practical, BPAs of items of the same type should be placed concurrently with more than one supplier. Competitive sources should be given an equal opportunity to furnish supplies or services under BPAs.

(5) If it is determined that BPAs would be advantageous, suppliers should be contacted to make the necessary arrangements for securing maximum discounts, documenting the individual purchase transactions, periodic billing, and other necessary details.

(6) A BPA may be limited to furnishing individual items or commodity groups or classes, or it may be unlimited for all items or services that the source of supply is in a position to furnish.

(7) BPAs shall be prepared and issued on DD Form 1155, Order for Supplies and Services or SF 1449 Solicitation/Contract/Order for Commercial Items.

c. Terms and Conditions. BPAs shall be established IAW FAR 13.203.

d. Delivery Tickets. BPAs shall include a requirement for all shipments under the agreement be accompanied by delivery tickets or sales slips which shall contain the following minimum information:

- (1) Name of supplier.
- (2) BPA number.
- (3) Date of purchase.
- (4) Purchase number.
- (5) Itemized list of supplies or services furnished.
- (6) Quantity, unit price and extension of each item less applicable discounts.
- (7) Date of delivery or shipment.

e. Invoicing method options are as follows:

(1) A summary invoice shall be submitted at least monthly or upon expiration of the BPA, whichever occurs first, for all deliveries made during a billing period. The summary invoice shall also identify the delivery tickets covered therein, stating their total dollar value and supported by receipted copies of the delivery tickets.

(2) An itemized invoice shall be submitted at least monthly or upon expiration of the BPA, whichever occurs first, for all deliveries made during a billing period and for which payment has not been received. These invoices need not be supported by copies of delivery tickets.

(3) When billing procedures provide for an individual invoice for each delivery, these invoices shall be accumulated; provided that a consolidated payment will be made for each specified period; and the period of any discounts will commence on the final date of the billing period or on the date of receipt of invoices for all deliveries accepted during the billing period.

f. Call Officers. Responsibility for the function of placing calls under BPAs rests with the contracting officer who may authorize individuals assigned to the contracting office to place calls in any dollar amount within the limitation under established BPAs. He may also authorize individuals in requiring activities to place calls not exceeding \$2,500 under established BPAs. Contracting Officers who authorize individuals to place calls under BPAs shall--

(1) Instruct the individuals in the proper use of BPAs.

(2) Furnish copies of BPAs to each individual authorized to place calls.

(3) Ensure that individuals have ready access to price lists or catalogs incorporated in or attached to BPAs.

(4) Ensure that individuals equitably distribute calls among suppliers with whom BPAs have been established.

(5) Ensure that individuals do not split purchase transactions to evade monetary limitations.

(6) Require that individuals refer all cases where prices are not considered reasonable to the contracting officer for determination.

(7) If appropriate, obtain from individuals at the end of each billing period copies of delivery tickets or sales slips so that supplier's invoices may be promptly paid.

(8) Maintain continuing surveillance over individuals to ensure compliance with acquisition regulations and to validate the need for retention of BPA call authorization of each individual.

(9) Ensure that suppliers are informed of the names of individuals authorized to place calls.

(10) Inform individuals authorized to place calls that the authority may not be redelegated.

8-10. Purchase Cards.

a. General. A government purchase card is the preferred method of purchasing supplies and services within the micro-purchase threshold (\$2,500/\$2,000 for construction). The card is also a method of paying for the purchase of supplies and services when used in conjunction with an accepted simplified acquisition procedure (i.e. purchase order, SF 44, etc.). All purchases that are made or paid for using government purchase cards are subject to all applicable provisions of AFARS Part 13 and must be authorized and documented accordingly. While the benefits associated with the use of the card are well known, they may not be readily accepted in many OCONUS locations in a contingency situation.

b. Responsibilities, Qualifications and Uses. Refer to AFARS 13.90.

8-11. File Management.

a. Contract Files. All FAR, DFARS and AFARS administrative recordkeeping and file management will continue under contingency, humanitarian assistance or peacekeeping conditions unless specifically stated otherwise. Contract files must be organized and sufficiently annotated to enable a reconstruction of the entire procurement process to include BPAs, purchase cards and other expenditures. Documentation in files shall be adequate to constitute a complete history of the transactions for the purpose of--

(1) Providing a complete audit trail used as a basis for informed decisions at each step in the acquisition process.

(2) Supporting actions taken.

(3) Providing information for reviews and investigations.

(4) Furnishing essential facts in the event of litigation or congressional inquiries.

b. File Contents. The following are examples of the records normally contained, if applicable, in contract files:

(1) Purchase request, acquisition planning information, and other presolicitation documents.

(2) Justifications and approvals, determinations and findings, price negotiation memorandums, and associated documents.

(3) Evidence of availability of funds.

(4) List of sources solicited.

(5) Government estimate of contract price.

(6) Copy of the solicitation and all amendments.

(7) Copy of each offer or quotation and related abstract and records of determinations concerning late offers or quotations.

(8) Contractor's contingent fee representation and

other certifications and representations.

- (9) Pre-award survey reports.
- (10) Source selection documentation.
- (11) Cost and pricing data and Certificates of Current Cost or Pricing Data.
- (12) Packing, packaging and transportation data.
- (13) Cost or price analysis.
- (14) Justification for type of contract.
- (15) Records of negotiation.
- (16) Required approvals of award and evidence of legal review.
- (17) Notice of award.
- (18) The original of the signed contract, all contract modifications and documents supporting modifications.
- (19) Notice to unsuccessful quoters or offerors and record of any debriefing.
- (20) Post-award conference records.
- (21) Orders issued under the contract.
- (22) Quality assurance records.
- (23) Property administration records.
- (24) Bills, invoices, vouchers, and supporting documents.
- (25) Record of payments or receipts.
- (26) Receiving documentation.
- (27) Contract completion documents.

c. Audit System. A simple database reporting system to provide visibility and status of procurement actions is required and should be implemented immediately. Automation to include laptop computers will assist in establishing a more efficient system which will coincide with CONUS systems. The information will be collected and maintained by the contracting office and transferred to the PARC. The system should include the following data fields:

- (1) Date of receipt of requisition.
- (2) Date of award.
- (3) Type of contracting action (i.e., contract,

purchase order, BPA, delivery order, modification).

(4) Amount of committed dollars.

(5) Contractor name.

(6) Procurement Instrument Identification Number (PIIN), Contract number and Requisition number.

(7) Amount of obligated dollars.

(8) Unit of measure/quantity (i. e., each, box, carton, numbers).

(9) Item Description.

(10) Contracting Officer's name.

(11) Date of receiving report.

(12) Date of final payment.

(13) Date contract was closed out.

(14) Location of contract file.

(15) Remarks.

d. Procurement Action Reports.

(1) DD Form 350 is used to report individual contract actions and consolidated actions in excess of \$200,000. The report shall be mailed or sent electronically, within three working days after the date on which the dollars were actually obligated or deobligated by the contracting office.

(2) DD Form 1057 is a monthly summary covering all contracting actions over \$25,000 but not in excess of \$200,000. A separate DD Form 1057 for all contracting actions of \$25,000 or less is still required. Reports are submitted within five working days after the close of each month.

(3) Send DD Forms 350 and 1057 reports to HEADQUARTERS DEPARTMENT OF THE ARMY, ATTN:SARD-PA 5109 Leesburg Pike, Skyline 6, Suite 916, Falls Church, Virginia 22041-3201.

e. Management Reports.

(1) Data collected from the DD Forms 350 and 1057, and data from the tracking system will be used to make established and ad hoc reports. Reports that will be helpful in the management of the contracting activity include those that list the work load production of divisions, aging of requests and dollar amounts of obligations.

(2) Lessons learned or after action reports should be forwarded to the HEADQUARTERS DEPARTMENT OF THE ARMY, SARD-PS, 5109 Leesburg Pike, Skyline 6, Room 916, Falls Church, Virginia 22041-3201. within 30 days of redeployment to home station. After action reports

should include follow-on plans for contracts issued by NATO allies or other agencies in support of the Army's contingency mission.

f. Format/Numbering and Transfer.

(1) All large-purchase records should be filed in a standard six part file folder.

(2) Contract files transferred internally from contracting to administration should be controlled.

(3) The Uniform Procurement Instrument Identification Number (PIIN) system (DFARS 204.70) will be used in assigning identifying numbers to all contracts, solicitation documents, delivery orders, purchase orders, and other instruments. Registers of any PIINs issued and used in the procurement process will be maintained.

g. Logs, either through an automated system or manual, will be maintained to identify purchase requests which are open, completed, and closed. This will provide linkage through the purchase request number between the customer, finance, comptroller, and contracting. In addition, they may be used to develop reports and graphs to present production status.

8-12. Standard Form 1449, Solicitation/Contract/Order for Commercial Items

General. Simplified acquisitions procedures can be used up to \$5,000,000 for commercial items. Solicitation and award of contracts under these procedures empower contracting officers with a great deal of flexibility and encourages them to make decisions based on good business sense and best value.

a. Considerations that must be included when purchasing commercial items under simplified acquisition procedures are:

(1) That to protect the interests of the government, each purchase of commercial items and services should be assessed, particularly those over \$200,000, to determine whether it should be a unilateral or bilateral contractual instrument. Factors to consider are:

(a) Business and cultural environment. Commercial practices vary among countries. Market research will determine the appropriateness of commercial practices and the level of protection necessary.

(b) Nature of the requirement and impact on the mission. A unilateral purchase order is an offer by the Government to a contractor. The contractor is not obligated to perform. Obtaining a bilateral signature makes it binding on both parties.

(c) Amount of the order, contractor's financial capability, and potential impact on the mission if the order is not filled.

(2) Purchase Orders. Standard Form 1449 is authorized for the purchase of commercial items exceeding the simplified acquisition threshold, but not exceeding \$5 million. Only firm-fixed-price instruments may be used.

(3) Delivery Orders. The SF1449 may be used for delivery

orders (FAR 16.5) for supplies or services placed against an established indefinite delivery contract.

(4) Clauses. Incorporate applicable clauses and provisions prescribed by FAR Part 12.3. Option clauses (FAR Part 17) may be added if the requirement and mission dictate.

(5) Use of Standard Form 1449. For commercial items and services up to \$5 million purchased under simplified acquisition procedures, include in solicitations appropriate instructions on what the offeror must submit with offers to be fairly evaluated for award. Commercial services, particularly those in excess of \$200,000 but less than \$5 million, should use simplified best value techniques in selecting the contractor as prescribed in Part 12. When best value techniques are used, the contracting officer should use written solicitations.

(6) Reporting. There is currently no way to report commercial versus non-commercial purchases on DD 1057. On DD350, blocks B14 and C14 should be properly marked to identify commercial awards. If FAR Part 12 clauses are not used, the DD350 should not be marked as commercial.

8-13. Referrals.

a. There may be purchase requests which cannot be fulfilled on the local market. These may be referred to another contracting activity for action. The contracting officer should ensure the purchase request includes an adequate description, a fund cite, a valid "ship to" address, and a point of contact. For contract repair items, a hand receipt is required to account for the item.

b. There are usually several sources of contracting expertise geographically separated from the contracting officer which could be used, such as--

(1) The American Embassy.

(2) The nearest permanent military base contracting office.

(3) The joint service offices collocated in the area.

c. Administrative Requirements for Referrals. Referral packages should be kept in an open file until completed. This will help the contracting officer know the status of referrals and help the finance officer keep track of outstanding commitments. Funds may be required to be transferred using DD Form 448, Military Interdepartmental Purchase Request.

8-14. Contract Management.

a. Contract Monitoring. Contractor surveillance under contingency conditions may be difficult due to location, broad customer base, and the performance/delivery time involved. This emphasizes the importance of having as many trained CORs as possible in close proximity to the contractors and the mission, and maintaining close communications with commanders. Commanders must understand the role of CORs who may perform tactical missions in their units and also the role of CORs in

supporting mission success and monitoring contract performance contractor performance. Under contingency conditions, ensuring contractors are (are not) paid for supplies or services performed (not performed) is critical.

(1) CORs will closely monitor contract performance and provide the contracting officer with documentation to identify the contractor's compliance or non-compliance with the terms of the contract. Although the appropriate forms may not always be available, a simple signed memorandum with supporting data will suffice for the contracting officer to take action. This memorandum will be part of the official record in the contract file.

(2) Commanders, as well as CORs, must understand they do not have contractual authority to issue directions or changes to any contract or purchase order. In cases where changes have been made by unauthorized personnel, the contracting officer must be immediately notified. The contracting officer will then note the substance of the change, determine whether the circumstance was appropriate, then initiate action as appropriate

b. Contract Modifications. The contracting officer can expect wide fluctuations in projected requirements versus actual requirements. This is particularly true for service contracts. The following guidelines address change orders, administrative changes, and supplemental agreements. (See Appendix L; SF 30, Amendment of Solicitation/Modification of Contract.)

(1) Contract modification is a generic term meaning any written change in the terms and scope of the contract. Contracts may be modified by use of a change order. A clear distinction must be made between the two terms - change and change order.

(2) A change is any alteration within the scope of the contract. Changes can be made in the specifications, drawings, designs, method of packing or shipment, time or place of delivery, and/or quantity or type of government provided material.

(3) A change order is a written order signed by the contracting officer directing the contractor to make changes that the Changes Clause authorizes him to make without the contractor's consent. If the change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under the contract (whether or not changed by the order) the contracting officer shall modify the contract to make an equitable adjustment in the contract price, the delivery schedule, or both.

(4) The contractor is required to comply with the change pending the outcome of negotiations to establish an equitable adjustment.

c. Administrative changes are written, unilateral changes that do not affect the substantive rights of the parties. They are used to make changes such as a change of paying office or the name of the contracting officer.

d. A supplemental agreement, like the other types of changes, must be in writing and is a bilateral agreement signed by both parties. It is used whenever it is necessary or desirable to have the contractor's consent to a modification to a contract.

(1) Examples of supplemental agreements are--

(a) Negotiate an equitable adjustment resulting from a change order.

(b) Definitize a letter contract.

(c) Reflect any other agreements reached by both parties.

(2) Unilateral modifications (signed only by the contracting officer) are used to make administrative changes, issue change orders or termination notices, or make changes authorized by clauses other than the Changes Clause, such as option clause, property clause, suspension of work clause, changing government furnished property or incorporating a value engineering proposal into the contract.

(3) Whichever method is used, either unilateral or bilateral, contract action should be priced before it is executed for the protection of both parties. The magnitude of some changes and the contingency environment make this difficult.

(a) From a pricing standpoint, unpriced orders are risky business because, during the time that negotiations are being conducted and performance is going on, the contractor has no incentive to keep costs down. If a contract action cannot be priced before it is authorized, an agreement should be reached with the contractor on a ceiling, not to exceed price.

(b) For changes that result in a relatively small increase or decrease in price, efforts should be taken to reach an agreement to incorporate them into the contract on a "no-charge basis."

e. The Changes Clause. There are slight differences in the particular changes clauses, depending on what is being purchased (supplies, services, or construction) and the type of contract that is awarded (fixed price or cost reimbursable). Common elements apply to all changes clauses.

(1) A change order must be in the general scope of the contract.

(2) The change order must be in writing.

(3) The ordered change must be made by the contracting officer.

(4) Quantities may not be unilaterally adjusted by use of the changes clause. A decrease in quantity may be

affected by a partial termination for convenience. If the contract contains the "Variation in Estimated Quantity" clause, a price adjustment is required for items received in excess of the quantity called for (including the variation allowed) that are in excess of \$250. These items may, however, be returned at Contractors expense, (FAR 11.701).

g. Payments (Appendix P). There are two different types of payments a contracting officer can authorize: progress and partial/final.

(1) Progress payments are supported by an estimate of job completion (or progress report) stated in percentages to inform the contracting officer of the percentage of the total contract amount that can be released to the contractor for progress payments. Progress payments based solely on evidence of costs incurred are strongly discouraged.

(2) Partial payments are made for services rendered and/or partial delivery of supplies while final payments are made whenever the contractor has successfully completed the contract, or the contracting officer has canceled/terminated any remaining requirements.

h. Terminations. Most terminations will be for convenience as opposed to terminations for default. If the contracting officer decides to terminate a contract for default, performance must be in default under the terms of the Terminations for Default clause and such default must be unexcused. The contracting officer should carefully consider that the contractor will not be bonded, the statement of work will likely contain ambiguities, and the contractor is likely to be the sole source for the needed services. It would serve no purpose to default a sole source contractor if there is no hope of recovering procurement costs or of finding another contractor to do the job. These contracts can normally be terminated by simply issuing a letter of cancellation and release of claims in order for the contracting officer to close out the contract and for finance to release the money remaining on the contract for other requirements. However, the contractor must consent to a release of claims. If a contractor does not concur or does not reimburse the government, a termination for default should be considered. Terminations for convenience could also be handled the same way, except when the contractor has invested substantially to fulfill the contract. In these cases, the normal rules in the FAR, and supplements thereto, should be followed to ensure an equitable adjustment is made to compensate the contractor. A contracting team should remain in the area to ensure close-out of all contracts. (See Appendix Q, Contract Close-out.)

Chapter Nine

Claims, Seizures, Disputes and Appeals

9-1. Claims. The government's policy is to try to resolve all contractual issues in controversy by mutual agreement at the contracting officer's level without litigation. If, however, it is not possible, the contracting officer must issue a final decision to a contractor's claim. In order to be a valid final decision, a document identified as a final decision must fulfill the following requirements; (i) be in writing; (ii) be the decision of the contracting officer; (iii) inform the contractor of his right to appeal; and, (iv) adequately inform the contractor of the reasons behind that decision.

9-2. Contractual Disputes and Appeals.

a. General. Contractors may submit claims that cannot be accepted for statutory, regulatory, or contractual reasons. The government's decision to reject such a claim, either in part or total may result in a contract dispute. If the dispute cannot be resolved, the contracting officer will make a final decision. The contractor can then appeal that final decision under the applicable contract disputes clause.

b. The contracting officer shall decide all questions subject to the Disputes Clause for which authority to act is present. The contracting officer will refer to regulations and legal counsel on these matters.

c. Procedures.

(1) Upon receipt of a claim of over \$100,000, the contracting officer should assure that the claim includes the contractor certification required by the Contract Disputes Act, is made in good faith, the supporting data are accurate and complete to the best of the contractor's knowledge, and the amount requested accurately reflects the contract adjustment for which the contractor believes the government is liable. Any suspected fraudulent claim or misrepresentation of fact shall be immediately reported to the legal officer and the chief of the contracting office.

(2) The contracting officer will utilize the specialized skills of the functional representatives and legal officer prior to issuing a final decision. The final decision must be that of the contracting officer.

(3) Final decisions for claims of \$100,000 or less must be issued within 60 days after receipt of the claims.

(4) For claims exceeding \$100,000, the contracting officer, within 60 days after receipt of a certified claim, must either issue a final decision or notify the contractor when a final decision will be issued.

(5) Final decisions are to be prepared in accordance with FAR 33.211. Final decisions must include notification to the contractor pursuant to the Disputes clause contained in the

contract.

(6) The contracting officer will submit the proposed final decision to the legal officer for review. A copy of the final decision will be forwarded to the contractor by any method that provides evidence of receipt.

9-3. Alternative Dispute Resolution.

a. Disputes that cannot be resolved between the parties often result in litigation. Alternative dispute resolution (ADR) is an alternative to litigation and should be considered prior to embarking on that path. Unlike litigation, ADR keeps decision-making in the contracting chain rather than with lawyers. Also, an agreement developed by the parties, rather than a decision resulting from litigation, will be of immeasurable assistance in maintaining a continuing business relationship with the contractor.

b. The essential elements of ADR include; (i) the existence of an issue in controversy, (ii) a voluntary election by both parties to participate in the ADR process, (iii) an agreement on an alternative technique, (iv) participation in the process by officials of both parties who have the desire and authority to settle, and (v) the contractor certification required by FAR 33.207.

c. There are many ADR techniques. These include facilitation, mediation, fact finding, mini-trials, arbitration, and negotiation. Whenever possible, the contracting officer should attempt to resolve disputes through negotiation with the contractor. The contracting officer should consult legal counsel for assistance with other techniques.

9-4. Seizures.

a. General. Commanders may, under the principle of military necessity, and subject to restrictions, seize private property during hostilities. Seizing private or public property for mere convenience is unlawful. Commanders may not leave civilians without adequate food, clothing, shelter or medical supplies. Legal assistance must be obtained prior to the seizure of any property.

b. Property Control Record Book (PCRB). This book, which may be issued to any level, confers no authority; it merely facilitates the ability to document seizures under the law of war. The book may be used only in designated areas.

c. Procedures.

(1) Each PCRB should be numbered and contain a minimum of ten sets of four serial-numbered copies of the property control record form.

(2) The cover of the book should contain a statement detailing where the book may be used.

(3) The inside cover of the PCRB should contain

instructions to the commander on the use of the forms to include the appropriate distribution of the four property control/receipt records.

(4) The serial-numbered property control record should require the soldier seizing the property to enter pertinent information concerning the seized property and should contain a receipt, both in English and the local language, to be signed by the property owner, if available.

(5) The inside of the back cover should contain a seizure record.

(6) The Staff Judge Advocate Office should be responsible for the issuance of the books to the commanders. Hand receipts can be used to issue PCRBS to the units. It should be emphasized that the SJA is only issuing the books and that accountability for the books and seized property is a command responsibility.

d. Payment for Seizures.

(1) There are several procedures available to provide compensation for seized property. They are--

(a) Ratification. This is the act of approving an unauthorized commitment by an official who has the authority to do so. (See FAR, DFARS, and AFARS 1.602-3.)

(b) Retroactive leases. The Corps of Engineers may negotiate retroactive leases IAW AR 405-15.

(c) Public Law 85-804 as amended by public law 93-155 (50 U.S.C. 1431-1435), as amended and Executive Order 10789 dated November 14, 1958 as amended. Defense agencies may enter into, amend, and modify contracts, without regard to other provisions of law related to making, performing, amending, or modifying, whenever the Secretary concerned considers that such action would facilitate the national defense. (See FAR, DFARS, and AFARS Part 50.)

(d) Claims adjudication IAW AR 27-20, Chapter 10.

(2) Whatever process is used to settle claims will be influenced by the local conditions. However, contracting responsibility is generally limited to ratification actions and extraordinary contractual relief under Public Law 85-804.

APPENDIX A

References

Defense Acquisition Deskbook

Federal Acquisition Regulation

Defense Federal Acquisition Regulation Supplement

Army Federal Acquisition Regulation Supplement

AFARS APPENDIX DD Management Control Evaluation Checklists

AR 5-3 Standard Installation Organization (SIO)

AR 700-137 Logistics Civil Augmentation Program
(LOGCAP)

AR 710-2 Supply Policy below the Wholesale Level

APPENDIX B

Imprest Fund Procedures

B-1. General. Each purchase using imprest funds will be based upon an authorized purchase request. (FAR 13.4)

B-2. Receipt of Material.

a. Upon delivery, the receiver will examine the material to ascertain that the quantities and items described on the purchase request document and the supplier's sales document are in agreement. If the material is acceptable, the receiver shall stamp the supplier's sales document "Received and Accepted," date and sign the document, and pass it to the imprest fund cashier for payment.

b. A supplier's sales document, a receipted SF 1165 (Receipt for Cash-Subvoucher), DD Form 1155 (Order for Supplies or Services), or DD Form 1348-1 (DoD Single Line Item Release/Receipt Document) may be used to record the receipt of purchases made from the imprest fund.

B-3. Advance of Funds. When prior arrangements for pickup of material are not practicable, the imprest fund cashier may advance cash to an authorized individual to make a proposed purchase. Individuals receiving a cash advance from the cashier will sign the "Interim Receipt for Cash" portion of the SF 1165. After purchase has been made, the individual will return any unused cash to the cashier with the necessary certifications of receipt, acceptance and cash payment, at which time the cashier will void the interim receipt for cash (See Appendix K).

B-4. Payments. When a blanket purchase agreement is not suitable and it is administratively convenient and agreeable to the supplier, periodic payments from the imprest fund may be made for supplies delivered on a repetitive basis, provided the accumulated amount of the deliveries for the specified period does not exceed the \$500 limit (\$2,500 for overseas transactions in support of contingencies).

B-5. Reimbursement of Imprest Funds. The imprest fund will be reimbursed by the use of SF 1129 (Reimbursement Voucher) supported by cashier's subvouchers. The cashier will prepare and submit SF 1129s to the disbursing officer as frequently as necessary, but not less often than monthly.

B-6. Accounting. Recordkeeping for the imprest fund shall be as simple as possible consistent with the maintenance of adequate controls. A file of supplier's receipts for amounts paid and not yet certified for reimbursement and copies of paid reimbursement vouchers ordinarily will suffice for the record of the imprest fund cashier.

B-7. Review. The cashier shall be required to account for the established fund at any time by cash on hand, paid supplier's receipts, unpaid reimbursements, and interim receipts for cash.

B-8. Responsibility and Accountability.

a. Installation Commander. When a new imprest fund is established or new or alternate imprest fund cashiers are appointed, the commander will ensure that each cashier or alternate cashier is made familiar with procurement policies in the FAR and supplemental regulations on the use of imprest funds. Imprest fund cashiers are not appointed ordering officers and are not authorized to make purchases using imprest funds. The commander must also furnish safekeeping facilities for the funds. Unannounced reviews and verifications, including cash accounts, are required of each imprest fund at least quarterly.

b. Finance and Accounting Officer (FAO). The FAO will provide each imprest fund cashier written and oral instructions at the time of appointment. These instructions will be reviewed monthly by the cashier. The legal advisor for contracting will resolve questions of doubtful legality of payments made or to be made from the imprest fund.

c. Chief of the Contracting Office. The chief of the contracting office has administrative supervision over the imprest fund cashier. The chief ensures that payments and advances are made per regulation, funds are properly and securely safeguarded, all purchases paid from the imprest fund conform to procurement regulations, the procurement is authorized from funds cited, the transaction is processed according to regulations, and any discrepancies in the fund are immediately reported to the approving authorities and to the FAO.

APPENDIX C

Checklists

C-1. General. This appendix provides contracting officers and contracting organizations with general checklists required to implement the contracting actions and the management process necessary in a contingency environment. Construction projects may require more specific criteria in the development of the requirement. ADPE acquisitions may require a thorough inspection procedure for preventing viruses from being established.

C-2. Responsibilities.

a. Contracting officers will ensure that checklists are updated as necessary and adapted to local conditions as required.

b. Managers will use the management control checklists to--

(1) Test whether prescribed controls are in place, operational and effective.

(2) Identify areas where additions or reductions to existing controls are needed.

(3) Select corrective actions when a deficiency can be corrected locally.

(4) Refer deficiencies that cannot be corrected locally to higher command levels for assistance.

c. Requiring units/activities will use the functional checklists in preparing purchase requests. These checklists are to assist customers in submitting accurate and timely requisitions. The contracting office will not initiate requirements. Checklists aid the users in performing their function of preparing the purchase description or performance work statement.

d. Solicitations and contracts are organized by sections in accordance with the uniform contract format. The performance work statement (PWS) is located in Section "C" of the uniform contract format. The PWS is the most important section of the solicitation package because it describes what is to be accomplished by the contractor. It is the PWS that will ultimately result in the cost that the government incurs for completion of the work. The PWS format is illustrated below:

PERFORMANCE WORK STATEMENT FORMAT

1. GENERAL

Scope of Work	Security Clearances
Background Information	Physical Security
Operating Hours	Access to Facilities
Personnel	Key Control
Contingencies	Management Plan
Quality Control	Other

2. DEFINITIONS

Abbreviations	Acronyms
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3. GOVERNMENT-FURNISHED PROPERTY AND SERVICES

Facilities	Utilities
Equipment	Materials
Services	Other

4. CONTRACTOR-FURNISHED ITEMS

Supplies	Maintenance and Repair
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5. SPECIFIC TASKS

- Relates to Work Breakdown Structure (WBS)
- Relates to Definitions (C.2)
- Relates to Applicable Documents (C.6)
- Relates to Data Requirements or Deliverables
- Relates to Performance Requirements Summary

6. APPLICABLE DOCUMENTS

Mandatory	Advisory
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TECHNICAL EXHIBITS

- Performance Requirements Summary (PRS)
- Workload Data
- Key Personnel Requirements
- Lengthy Descriptions
- Data Requirements or Deliverables

ATTACHMENTS

- Specifications
- Work Frequency Schedules
- Special Requirements

DEPLOYMENT OPERATIONS PLANNING CHECKLIST:

1. General Data:

- a. Operation dates:
- b. Ship arrival dates:
- c. Ship discharge operations:
- d. Onward movement operations:
 - o Sea and air interface
 - o Convoys
 - o Rail
- e. Projected port vehicle discharge density:
_____ wheeled _____ tracks

2. Sea Port of Debarkation (SPOD) Operations:

- a. Facilities:
 - o Port ship discharge area
 - o Fuel tanker discharge area with storage capability when applicable (coordinate with Defense Fuel Supply Center)
 - o Sanitary facilities
 - o Refuse receptacles/collection
 - o Utilities
 - o Port building space
 - o Billeting (either building space or area for tentage)
 - o Light sets with generators
 - o Generators
 - o Wash Rack Facilities
- b. Handling services: Stevedoring services
- c. Equipment material usage:
 - o Rail loading ramps
 - o Tie-down chains and shackles
 - o Container handlers and forklifts
 - o Packaging and preservation materials
 - o Water trailers
 - o Bracing Material
- d. Food service
- e. Local transportation: Buses
- f. Long haul transportation:
- g. POL: Type of retail support at the port to fuel vehicles discharged from ships.
- h. Miscellaneous services, supplies and equipment:
 - o Firefighting services

- o Security/guard services
 - o Security fencing
 - o Environmental control units (air conditioning and heating)
 - o On-call vehicle recovery service
 - o Custom clearance assistance
- i. Communications
 - o FAX
 - o Commercial telephones
 - o Radios
 - o Data lines
 - o Copy machines
- 3. Marshaling Area Operations:
 - a. Facilities:
 - o Hard surfaced area for vehicle marshaling
 - o Covered maintenance facility
 - o Use of fixed fuel dispensing station
 - o Helicopter landing zone
 - o Refuse receptacles/collection (trash and contaminated fuel)
 - o Light sets with generators
 - o Generators
 - b. Billeting: Either building space, tentage area or commercial hotels in consideration of distance and operational requirement.
 - c. Sanitary Facilities: Shower/latrines
 - d. Rations:
 - o Sack lunches for convoy personnel
 - o Disposable tableware
 - o Unit provided kitchen personnel
 - e. Local Transportation:
 - o Buses - marshaling area/port shuttle
 - o Trucks - luggage and miscellaneous supplies and equipment
 - f. Long Haul Transportation: HETs, low boys, S&P trailers, flat beds
 - g. POL:
 - o Dispensers through metering devices, used to fuel convoy vehicles and transportation used by command and control element. All POL products to include: MOGAS, diesel, aviation fuel, and package products.
 - o Coordinate with Defense Fuel Supply Center
 - h. Miscellaneous Services, Supplies and Equipment:
 - o Firefighting services
 - o Medical support

- o Security/guard service
 - o MP escorts for convoys
 - o On-call vehicle recovery service
 - o Customs clearance assistance
 - o Translators/interpreters when applicable
- i. Communications
 - o FAX
 - o Commercial telephone
 - o Radio
- 4. Air Port of Debarkation (APOD) Operations:
 - a. Facilities:
 - o Operational use of airfields
 - o Utilities, refuse receptacles/collection
 - o Light sets with generators
 - o Generators
 - b. Equipment Material Usage: Fork-lifts
 - c. Billeting:
 - d. Rations:
 - e. Local Transportation: Buses
 - f. Long Haul Transportation:
 - o Buses - transportation of troops for APOD
 - o Trucks - transportation of troop baggage from APOD
 - g. POL: (when applicable coordinate requirements with Defense Fuel Supply Center)
 - h. Miscellaneous Services, Supplies and Equipment:
 - o Firefighting services
 - o Medical support
 - o Security service
 - o On-call vehicle recovery service
 - o Customs clearance assistance
 - o Translators/interpreters when applicable
 - i. Communication:
 - o FAX
 - o Commercial telephones
 - o Radios

SITE SURVEY CHECKLIST:

- 1. Determination of area to be utilized:
 - a. What activity is to be performed at site.

- b. Number of personnel occupying the site.
 - c. Period of time to be occupied.
 - d. Environmental concerns (asbestos, noxious gases, radiation, etc.)
2. Survey of site to determine availability of fixed facilities:
- a. Billeting.
 - b. Showers/latrines.
 - c. Dining facilities.
 - d. Office space.
 - e. Type of electrical power available for office equipment.
 - f. Miscellaneous adjacent space and facilities.
3. Survey of site for temporary facilities:
- a. Open space available and ground conditions for:
 - o Tent cities.
 - o Vehicle parking.
 - o Recreational activities.
 - o Vehicle washing/cleaning/inspection areas.
 - b. Existing electric power drops (voltage, cycles per second).
 - c. Area lighting.
 - d. Existing sewage facilities/water availability.
 - e. Road/access routes.
 - f. Heliport facilities.
 - g. Telephone availability.
 - h. Location of refuse collection sites.
 - i. Requiring activity must coordinate and provide the name of personnel making coordination to determine capacity of facility/utilities (e.g., power, water pressure).

PLOT PLAN CHECKLIST:

- 1. Attach a plot plan to each requirement.
- 2. Plot plans should include:
 - a. To scale, location of all tentage; designate each tent by its use.
 - b. Show location of latrines, showers, and dumpsters.

- c. Mark locations of power drops, water hookups, and telephone drops.
 - d. Show roads in area and access roads.
 - e. Mark off parking areas, vehicle cleaning areas, and areas designated for other activities.
 - f. Locate recreational tents away from sleeping tents.
 - g. Provide directional signs for wheel/track vehicles.
3. Site Commanders must physically inspect the areas identified on the plot plan to ensure areas will accommodate the number of troops and major activities scheduled for the area.
4. Real estate and theater facilities requirements development can be facilitated with the use of the Army Facilities Components System (AFCS) as found in TM 5-301, TM 5-302 and TM 5-304. The data in AFCS is automated, titled the Theater Army Construction Automated Planning System (TACAPS). It is available from the U.S. Army Corps of Engineers.

INDIVIDUAL PLANNING CHECKLIST (LATRINES).

This is an example and may not be all inclusive of required information for all deployments:

1. Latrines: One (1) latrine (one hole) per 30 personnel with once-a-day servicing. Provide for additional servicing during peak population periods .

NOTE: a. Consolidation of requirements is critical.

b. Service consists of pumping, cleaning and toilet paper.

Recommend that location for consolidated requirements for the area be specified as follows:

Initial placement of latrines to be made within a ____km radius of _____(state name of town or site identification).

An estimate must be furnished as to the total number of separate locations within that radius in which latrines will be placed.

Estimates must also be provided for on-call services, i.e., number of additional required servicing and relocations within the stated radius and also estimates for added emptyings and relocations for latrines moved outside the stated radius.

2. Latrines: (Mark locations on plot plan.) Include total number of personnel to be accommodated at this site.

a. Type: _____

b. Number: One seat latrines:____ Three seat latrines:____

c. Where (Note on plot plan): _____

d. Number of services per day: _____

NOTE: Three-seat latrines are normally more economical and should be considered when a large number of latrines are to be collocated. Standard is daily servicing with additional servicing requests on an as-required basis during peak population periods.

e. Estimate numbers of additional servicing: _____

f. Estimate number of relocations: _____

g. Period of performance: _____

h. Toilet paper: Contractor provide _____, U.S. Gov. provide _____

INDIVIDUAL PLANNING CHECKLIST (REFUSE AND DUMPSTERS):

1. Refuse collection: One (1) cubic meter (CBM) trash container for 60 people per day. Provisions should be made for additional container emptyings during peak population periods. Cost depends on the size of container and the number of collections daily/weekly. Special containers for types of refuse listed below may be required with appropriate markings to comply with local (Host Nation) environmental laws and policies.

2. Regular trash - all kinds of refuse except the following:

a. Edible garbage - generated by food service facilities. Possible sales contract or a means of selling to farmers or trading the edible garbage for hauling it away might be considered.

b. Mechanical waste - all kinds of refuse generated in motorpools.

c. Waste oil - inclusive of antifreeze, brake fluids and other motor vehicle liquids.

d. Contaminated soil - removed from oil tank areas or soil contaminated by all kinds of accidents.

e. Medical waste - refuse generated in medical installations inclusive of liquids from X-ray labs.

3. Containers: Mark location on a plot plan to indicate number of personnel to be supported.

a. Type: (e.g., trash, edible garbage, medical waste, etc.)

b. Number: _____ Where: _____

c. Size: _____

d. Number of collections per day: _____

- e. Estimate number of additional collections: ____
- f. Estimate number of relocations: _____
- g. Period of performance: _____

MANAGEMENT CONTROL EVALUATION CHECKLIST: This checklist is a tool which serves as a starting point for review of your operation. It may be appropriately modified to fit your individual situation and circumstances.

1. Presolicitation:

a. Initial purchase tasking receipt and review.

(1) Are procedures in place to account for and record the date and time of purchase requests that were received in the contracting office?

(2) Are the purchase requests received with adequate data for identification and accountability control, and are they adequately funded, signed, dated, and approved by those in authority?

(3) Do the purchase descriptions or performance work statements received describe needs that are appropriate for this contracting office to assume purchase responsibility for?

(4) Do purchase descriptions or performance work statements provide a specific description of only the customer's minimum needs?

(5) Are the purchase requests for items delivered after the fact (unauthorized commitments) processed IAW ratification procedures? (FAR 1.602-3)

(6) Are procedures followed for monitoring the work backlog, priority purchase requests, and requests that were transferred for processing?

b. Selecting the best acquisition method.

(1) Are requirements placed on orders against applicable, existing "open ended" agreements or contracts rather than used as the basis for creating a new solicitation or purchase order?

(2) Are "lessons learned" during the previous requirement considered in the preparation of a new solicitation to fill recurring requirements? Are previously erroneous estimates, descriptions, and assumptions corrected rather than repeated?

c. Competition considerations.

(1) Are competitive proposals being used when it is impractical to use sealed bidding? FAR 6.401(b)(1).

(2) Are negotiated contracts awarded using full and open competition except where justified? FAR 6.301.

(3) Is the urgency exception to full and open competition being properly applied? FAR 6.302-2.

(4) Is a competition advocate appointed and identified; are the approval levels and form for justifications published? FAR 6.501.

(5) Are justifications for other than full and open competition approved in writing at the appropriate level? FAR 6.304.

d. Solicitation preparation and review prior to distribution.

(1) Do solicitations conform with the uniform contract format FAR 14.201-1, FAR 15.406-1 or with the simplified contract format, FAR 15.416?

(2) Do solicitation forms and clauses avoid duplicating or supplementing FAR or DFARS forms and clauses?

(3) Do contract actions requiring legal review prior to issuance receive the required review? AFARS 1.602-2(c).

(4) Is adequate legal support for contracting provided in a timely manner?

2. Solicitation, Evaluation and Award:

a. Solicitation distribution, amendment, and cancellation.

(1) Are records kept of each invitation issued, to include the distribution made and the date the invitation was issued? FAR 14.204.

(2) Are solicitation mailing lists established and maintained? FAR 14.205.

(3) Is a listing of questionable or ineligible contractors available and checked before placing vendors on the solicitation mailing list?

b. Bid opening and proposal closing.

(1) Are offers received prior to opening kept secure in a locked bid box or safe? FAR 14.401.

(2) Are bid opening postponements limited to only justifiable situations? FAR 14.402-3.

(3) Are procedures followed on the receipt and handling of proposals and quotations? FAR 15.411.

(4) Are procedures followed on the disclosure and use of information contained in proposals? FAR 15.411.

c. Responsiveness and certifications.

(1) Are only offers that comply in all material respects with the invitation for bid considered for award? FAR 14.301(a).

(2) Are appropriate certifications and representation required by the solicitation provided by the offeror prior to award?

d. Mistakes and protest resolution.

(1) Are bids and proposals examined for mistakes? FAR 14.407 and FAR 15.607(a).

(2) Are alleged mistakes after bid opening appropriately processed and resolved? FAR 14.407.

(3) Do contracting officers consider, resolve, or forward, as appropriate all protests filed that are related to either their solicitations or procedures? FAR Subpart 33.1.

(4) Is legal counsel consulted on all protest matters?

e. Technical evaluation.

(1) Are technical evaluations documented to ensure that minimal solicitation requirements are met? FAR 15.608(a)(3).

(2) Do contracting officers generally request a technical analysis of the proposals when cost or pricing data are required? FAR 15.805-4.

(3) Do contracting officers obtain assistance from the traffic management office prior to awarding contracts where transportation factors are a consideration in the evaluation? FAR 47.301-1 and 47.301-2.

f. Pricing evaluation.

(1) Do files contain adequate documentation to support the use of price analysis, to include indicating which of the approved techniques were used to accomplish the analysis? FAR 15.805-2.

(2) Do contracting officers obtain independent government estimates (IGE) when needed or appropriate?

(3) Is a properly executed Certificate of Current Cost or Pricing Data obtained when required? FAR 15.804-2 and 15.804-4.

(4) Are price negotiation memorandums prepared and in the contract file for each price negotiation? FAR 15.808.

g. Obtaining approvals and business clearances prior to award.

(1) Do the contract files reflect appropriate award approvals

and signature authorities?

(2) Are public announcements and the release of contract award information in compliance with regulatory requirements? FAR/DFARS/AFARS 5.303.

(3) Do contract files contain the necessary price negotiation memorandum (PNM) when required? AFARS 15.808

(4) Are procedures for the review and approval of PNMs established by the Head of the Contracting Activity (HCA)? AFARS 15.808.

3. Contract Management:

a. Functional representatives/responsibilities and limitations.

(1) Are qualified individuals selected and appointed as contracting officers representatives (CORs) by a contracting officer?

(2) Do CORs written designations clearly indicate their authority and limitations?

(3) Are CORs, inspectors, functional managers, and others routinely involved in performing contract management functions regularly advised and trained regarding their role in contract management?

b. Is consideration given to the need for a postaward orientation/presolicitation notice and performance conference to foster a mutual understanding of the contractual agreement and the responsibilities assigned? FAR 42.5 and 15.404

c. Contract Modifications.

(1) Is legal counsel requested to make a legal sufficiency determination prior to effecting a modification?

(2) Is legal counsel requested to assist in clause preparation and a deviation approval when a clause other than a standard clause is to be incorporated into a modification?

(3) Are price negotiation memorandums prepared and in the contract file for each price negotiation? FAR 15.808.

(4) Are change orders only issued for work within the scope of the contract?

d. Property Administration.

(1) Are contractors required to publish a property control system describing the procedures and techniques to be used in managing government property?

(2) Is regulatory guidance followed to determine contractor liability should government property become lost, damaged, destroyed, or unreasonably consumed? FAR 45.504.

(3) Are there an adequate number of properly trained personnel to manage a property administration program?

e. Quality Assurance.

(1) Are nonconforming supplies or services offered to the government rejected except as provided in applicable regulations? FAR 46.407.

(2) Is contractor performance on service contracts monitored according to established surveillance plans?

f. Damages and delinquency actions.

(1) Do contracting officers take timely action to alleviate or resolve delinquencies?

(2) Do contracting officers obtain legal counsel and technical advice prior to taking action when a default termination is being considered? FAR 49.402-3.

(3) Do contracting officers act to mitigate damages when repurchasing against a defaulted contractor's account? FAR 49.402-6.

(4) Do contracting officers assure that consideration is obtained for the Government for revising the delivery schedules or other contract terms?

g. Receiving reports, acceptance, final payment and contract completion.

(1) Are decisions to accept or reject supplies offered or services performed documented and distributed in a timely manner?

(2) Are there an adequate number of properly trained personnel on hand to perform inspection and acceptance functions?

(3) Are all contractual claims and obligations satisfied on physically completed contracts prior to contract close-out?

4. Special Acquisition Situations and Requirements:

a. Simplified acquisitions.

(1) Are simplified acquisition files reviewed to ensure that requirements are not split to avoid the use of a formal solicitation? FAR 13.103 (c).

(2) Are the most suitable, efficient, and economical simplified acquisition methods used, given the circumstances of each simplified acquisition requirement? FAR 13.104(a).

(3) Are appointments of ordering officers limited to those situations where the appointment is essential for the efficient operation of the contracting mission? AFARS 1.602-2-91.

(4) Are the purchases and procedures of ordering officers inspected or reviewed at least once a year? AFARS 1.602-2-91.

b. Construction requirements.

(1) Site approvals and work classifications must be reviewed and monitored.

(2) Are on-site inspections by quality assurance, technical inspectors, or other requiring activity personnel conducted in sufficient frequency and/or sufficient duration to protect government interests regarding contractor workmanship and progress?

(3) Is the construction material the contractor proposes to use inspected IAW the specifications and approved by the COR?

(4) Has the final list of deficiencies (punch list) been corrected prior to final approval and payment?

(5) Have site approvals including any restorations, requirements or permits been obtained from Host Nations.

c. Service Contract Requirements.

(1) Reference AFARS Appendix BB, Part 4.

(2) Are surveillance plans developed to include both sampling guides and activity checklists needed to monitor the contractor services performed?

d. ADPE Requirements.

(1) Are requests for ADPE systems, software, and maintenance services reviewed to determine whether the requirement could be appropriately satisfied by the applicable and available GSA requirements or schedule contracts?

(2) Is the following order of preference a factor in determining the type of specification or purchase description prepared and used to acquire or lease ADPE?

(a) Functional specifications.

(b) Equipment performance requirements.

(c) Power requirements (including voltage and cycles per second)

(d) Plug compatible.

(e) Brand name or equal.

(f) Specific make and model.

(3) Is the ADPE portion broken out when feasible and a separate purchase made when purchase requests for supplies or services also include ADPE items or services?

(4) Are proposals to purchase or lease ADPE evaluated to determine the lowest overall cost or life cycle cost to the government?

(5) Have certification requirements been met for ADPE specifications to comply with DoD and Army security regulations requirements?

(6) Are the required ADPE contract clauses included in the terms and conditions of ADPE solicitations and contracts?

(7) Are inspection/acceptance procedures adequate to detect the presence of computer viruses installed on hardware or buried in software?

5. Management of the Acquisition Function:

a. Local procedures. Are there local regulations and SOPs published that govern the operations of the contracting office?

b. Staffing, facilities, and training.

(1) Is the staffing in contracting offices adequate to support the mission?

(2) Is the contracting office working environment (for example, office space, conference room space, ventilation, and lighting) adequate?

(3) Is the number and condition of contracting office business machines (for example, copiers, FAX, computers, and class "A" telephone lines) adequate?

(4) Is the training received by employees (both formal classroom training and informal on-the-job training) timely, adequate, and appropriate?

c. Acquisition Reports (contingency, humanitarian assistance or peacekeeping operations).

(1) Are DD Forms 350, Individual Contracting Action Report (Over \$200,000), prepared in a timely manner, verified, and submitted for each applicable contractual action? DFARS Part 253 Forms.

(2) Are DD Forms 1057, Monthly Contracting Summary of Actions (\$25,000 or less), prepared in a timely manner, verified, and submitted?

(3) Is a DD Form 1057, Monthly Contracting Summary of Actions, prepared for all contracting actions up to \$ 200,000.00 in a timely manner, verified, and submitted to the higher headquarters for consolidation on their DD Form 1057?

(4) Are DD Forms 1547, Record of Weighted Guidelines Application, prepared in a timely manner, verified and submitted? DFARS 215.970.

d. Standards of Conduct.

(1) Are the required standards of conduct brought to the attention of DA personnel? DoDD 5500.7-R and AFARS Subpart 3.1.

(2) Are suspected violations of the gratuities clause forwarded by management for appropriate evaluation and action? AFARS 3.203.

(3) Are contractors made aware of their responsibility to maintain internal controls to avoid improper business practices? DFARS 203.70

(4) Are the contracting officers made aware of those indicators of fraud that have been identified by the Office of the Inspector General? DoDD 4075.1-H.

APPENDIX D

Contracting Officer's Representative (COR)

D-1. General.

a. The use of functional representatives, like CORs, cannot alleviate the need for a full time contracting professional to monitor contract surveillance and manage the contract management team. The contracting officer will determine both the need for functional representatives and their duties. COR assignments and duties will be contained in a letter of appointment signed by the contracting officer. A sample of the assignment letter is at the end of this Appendix. At the time of appointment, the contracting officer must provide the COR with requisite formal training. The training should include a review of duties, authority limitations, form completion, and reporting requirements.

b. COR candidates should be identified by the requiring activity, well in advance of deployment. Candidates should be sent to COR training, available from a variety of sources. As a minimum, organizations should identify one primary and one alternate for each category of supply or service normally contracted for during contingency operations.

c. The duties and prohibitions outlined below are not intended to be all-inclusive. As situations and questions arise that are not addressed, CORs and functional representatives should consult the contracting officer to obtain advice on how to proceed.

D-2. Duties. CORs and functional representatives will typically provide assistance to the contracting officer in the following technical areas:

a. Verify that the contractor has performed the technical and management requirements of the contract IAW the contract terms, conditions, and specifications.

b. Perform, or cause to be performed, all necessary inspections.

c. Verify that the contractor has corrected all correctable deficiencies.

d. Perform acceptance for the government of supplies and services received.

e. Maintain liaison and direct communications with both the contractor and the contracting officer.

f. Monitor the contractor's performance, notify the contracting officer of deficiencies observed during surveillance, and recommend appropriate corrective action.

g. Submit, as required, a report concerning performances of services rendered under the contract.

h. Perform, or cause to be performed, property surveillance. This function is sometimes done by the property administrator.

D-3. Prohibitions. CORs and functional representatives are not authorized to do any of the following:

a. Make any agreement with the contractor requiring the obligation of public funds.

b. Encourage the contractor by words, actions, or a failure to act to undertake new work or an extension of existing work beyond the contract period.

c. Interfere with the contractor's management prerogative by "supervising" contractor employees or otherwise directing their work efforts.

d. Authorize a contractor to obtain property for use under a contract.

e. Allow government property accountable under one contract to be used in the performance of another contract.

D-4. Files. As a minimum the COR's file should contain the following:

a. A copy of the appointment letter from the contracting officer.

b. A copy of the contract or appropriate part of the contract and all modifications.

c. All correspondence initiated concerning performance of the contract.

d. Record of inspections performed and their results.

e. Memoranda for record or minutes of any pre-performance conferences, meetings, or discussions with the contractor, or others, pertaining to the contract or contract performance.

Format for letter designating a COR

Use official letterhead and follow standard procedures for correspondence. Address the designation to the individual by name, including rank or grade, and full mailing address.

(Official Letterhead)

(Office Symbol)

(Date)

SUBJECT: Designation of Contracting Officer's Representative (COR) for Contract
(Enter number.).

1. Pursuant to DFARS 201.602-2 and AFARS 1.602-2-90, you are designated as the contracting officer's representative (COR) in administration of the following contract:

Contract Number:

For: (Enter item/system/services.)

Contractor:

Contract Period:

2. You are authorized by this designation to take action with respect to the following:

a. Verify that the contractor performs the technical requirements of the contract IAW the contract terms, conditions and specifications. Specific emphasis should be placed on the quality provisions, for both adherence to the contract provisions and to the contractor's own quality control program.

b. Perform, or cause to be performed, inspections necessary in connection with paragraph 2a and verify that the contractor has corrected all deficiencies. Perform acceptance for the Government of services performed under this contract.

c. Maintain liaison and direct communications with the contractor. Written communications with the contractor and other documents pertaining to the contract shall be signed as "Contracting Officer's Representative" and a copy shall be furnished to the contracting officer.

d. Monitor the contractor's performance, notify the contractor of deficiencies observed during surveillance and direct appropriate action to effect correction.

Record and report to the contracting officer incidents of faulty or nonconforming work, delays or problems. In addition, you are required to submit a monthly report concerning performance of services rendered under this contract.

e. Coordinate site entry for contractor personnel, and insure that any Government-furnished property is available when required.

3. You are not empowered to award, agree to or sign any contract (including delivery orders) or contract modification or in any way to obligate the payment of money by the Government. You may not take any action which may affect contract or delivery order schedules, funds or scope. All contractual agreements, commitments or modifications which involve price, quantity, quality, delivery schedules or other terms and conditions of the contract shall be made by the contracting officer. You may be personally liable for unauthorized acts. You may not redelegate your COR authority.

4. This designation as a COR shall remain in effect through the life of the contract, unless sooner revoked in writing by the contracting officer or unless you are separated from Government service. If you are to be reassigned or to be separated from Government service, you shall notify the contracting officer sufficiently in advance of reassignment or separation to permit timely selection and designation of a successor COR. If your designation is revoked for any

reason before completion of this contract, turn your records over to the successor COR or obtain disposition instructions from the contracting officer.

5. You are required to maintain adequate records to sufficiently describe the performance of your duties as a COR during the life of this contract and to dispose of such records as directed by the contracting officer. As a minimum, the COR file shall contain the following:

a. A copy of your letter of appointment from the contracting officer, a copy of any changes to that letter and a copy of any termination letter.

b. A copy of the contract or the appropriate part of the contract and all contract modifications.

c. A copy of the applicable quality assurance (QA) surveillance plan.

d. All correspondence initiated by authorized representatives concerning performance of the contract.

e. The names and position titles of individuals who serve on the contract administration team. The contracting officer must approve all those who serve on this team.

f. A record of inspections performed and the results.

g. Memoranda for record or minutes of any preperformance conferences.

h. Memoranda for record of minutes of any meetings and discussions with the contractor or others pertaining to the contract or contract performance.

i. Applicable laboratory test reports.

j. Records relating to the contractor's quality control system and plan and the results of the quality control effort.

k. A copy of the surveillance schedule.

l. Documentation pertaining to your acceptance of performance of services, including reports and other data.

6. All personnel engaged in contracting and related activities shall conduct business dealings with industry in a manner above reproach in every aspect and shall protect the U.S. Government's interest, as well as maintain its reputation for fair and equal dealings with all contractors. DoD 5500.7-R sets forth standards of conduct for all personnel directly and indirectly involved in contracting.

7. A COR who may have direct or indirect financial interests which would place the COR in a position where there is a conflict between the COR's private interests and the public interests of the United States shall advise the supervisor and the contracting officer of the conflict so that appropriate actions may be taken. CORs shall avoid the appearance of a conflict of interests to maintain public confidence in the U.S. Government's conduct of business with the private sector.

8. You are required to acknowledge receipt of this designation on the duplicate copy and return it to the contracting officer. Your signature also serves as certification that you have read and understand the contents of DoD 5500.7-R. The original copy of this designation should be retained for your file.

SIGNATURE BLOCK OF
CONTRACTING OFFICER

Receipt of this designation is acknowledged.

NAME: (Print or type) SIGNATURE:

TITLE: DATE:

RANK/GRADE: TELEPHONE

APPENDIX E

Ordering Officers

E-1. General.

a. Under simplified acquisition procedures the ability to delegate simplified acquisition authority augments contracting capability and enhances responsiveness to the requesting activity and/or using organization. This is accomplished through the written appointment of an ordering officer by the chief of the contracting office.

b. Ordering officers are generally not contracting personnel. Usually, ordering officers have no formal procurement training or experience. When the ordering officer arrives in theater it is essential that the theater appointing authority or their designee thoroughly brief each ordering officer on the various acquisition policies and procedures applicable to the type of purchases they will make.

E-2. Policy.

a. It is Army policy that--

(1) The chief of the contracting office be responsible for the efficient performance of the contracting mission assigned the activity.

(2) The contracting function not be decentralized by the indiscriminate appointment of ordering officers.

(3) Ordering officers may not be appointed within a contracting office.

b. Ordering officers may be appointed for valid purposes provided the contracting officer appointing the ordering officers determines appointment is essential for the efficient operation of the contracting mission.

c. When justified, the chief of the contracting office may appoint a unit member as an ordering officer. The ordering officer acts as an agent (under written direction from the chief of the contracting office) for the supporting contracting office to make authorized local purchases (LP). Ordering officers are normally nominated by commanders and appointed by the designated contingency HCA (can be delegated to the chief of the contracting office); and trained and supervised by the appointing authority or his designee (the contracting officer). They may be terminated by the chief of the contracting office. Strict operational control over ordering officers is necessary to preclude violations of law and regulations. Care must be exercised in determining how many ordering officers are necessary yet controllable.

d. When the ordering officer is appointed, the unit commander will ensure that:

(1) The property book officer (PBO) is not appointed as an ordering officer. The ordering officer may be the receiving officer.

(2) The ordering officer shall not make a local purchase without a written request from the PBO.

(3) After receipt of property purchased, the ordering officer provides the PBO copies of all receipt documents to be screened to establish required property accountability.

e. Purposes for which ordering officers may be appointed and references as to limitations of their authority are- -

(1) To purchase with imprest funds.

(2) To purchase over-the-counter and not exceeding \$2,500.

(3) To place unilateral delivery orders against pre-priced indefinite delivery type supply and service contracts provided the contract terms permit and all orders are placed within the monetary limitations of the contract terms.

E-3. Types of Ordering Officers. There are different types of ordering officers. All are limited by the scope of their delegated authority as to the type of transaction they may use and a dollar limitation on what they may commit. The following examples are personnel who can be appointed as ordering officers:

a. Logistics personnel on contingency, humanitarian assistance or peacekeeping missions.

b. Commissary officer.

c. Medical supply officer (Example: At a hospital).

d. Engineer supply officer, repairs and utilities.

e. Reserve center coordinator.

f. Maintenance supply officer.

g. Individuals appointed for a specific purchase (Example: Parts for a typewriter repair shop).

E-4. Ordering Officer's Responsibilities. The ordering officer must determine, before making a purchase--

a. If the purchase is authorized (purchase requests must be validated by the G4/S4 or as stated on the appointment orders).

b. If funds are available.

c. If the authority to make this purchase has been specified in the appointing order.

d. Supplies are not available from other governmental sources.

e. If the most efficient/economic purchasing method is being used.

E-5. Authorization. Written authorization (letter of appointment) is needed

before an ordering officer obligates the government.

E-6. Limitations.

a. Ordering officers may not re-delegate their authority.

b. Only military or civilians under the jurisdiction of DA can be appointed as ordering officers. Other Services do not use the term "ordering officer," but do have individuals who perform similar functions.

E-7. Examples of Purchases. The range of purchases should be limited and specified in the appointment letter instructions. Neither the list nor the items, below, are inclusive.

a. Supplies--

- (1) Lumber.
- (2) ADP equipment and supplies.
- (3) Furniture (chairs and tables).
- (4) Construction material.
- (5) Office equipment.
- (6) Medical supplies.
- (7) Appliances.
- (8) Non-standard supplies.

b. Services--

- (1) Laundry.
- (2) ADP repair.
- (3) Office machine repair.
- (4) Vehicle maintenance.

E-8. Surveillance.

a. Ordering officers shall be under the technical supervision of the chief of the contracting office or individual designated by the chief of the contracting office.

b. In a contingency, humanitarian assistance or peacekeeping or field environment, at least once a month, activities of ordering officers shall be physically inspected or reviewed through examination of purchase documents and records by the chief of the contracting office or designee.

c. Inspection or review findings shall be written and shall include specific comments as to whether the ordering officer is--

- (1) Operating within the scope and limitations of authority.

(2) Maintaining the standards of conduct as prescribed in DoDD 5500.7-R, Joint Ethics Regulation.

(3) Not delegating authority to others.

(4) Submitting correct and timely information for procurement reporting purposes.

(5) Not making unauthorized purchases of items.

d. Copies of inspection and review findings shall be retained for one year in the files of ordering officers and of inspectors or reviewers.

e. Should an appointing authority find that an ordering officer is not properly performing his duties or fails to take prompt action to correct deficiencies noted in inspections or reviews, the appointing authority shall terminate, in writing, the appointment of the ordering officer.

E-9. Clearance Requirements/Letters of Clearance.

a. When an ordering officer's appointment is terminated, the ordering officer will bring to the chief of the contracting office or his unit commander the following:

- (1) Original copy of appointment letter.
- (2) Copies of all reports filed previously.
- (3) A complete report for any period between the last report and the date of termination, including all copies of the SF 44, Purchase Order-Invoice-Voucher, all sales slips or other receipts, and any justifications (if any) regarding price or source reasonableness.
- (4) An original copy of the DA Form 3953, Purchase Request and Commitment.
- (5) Any unused SF 44's in his possession.

b. A Letter of Clearance/Termination signed by the chief of the contracting office and an original copy of the approved SF 1129 will be returned to the ordering officer after all the above has been reviewed and certified to be acceptable.

c. Finally, a letter terminating the appointment of the ordering officer will be issued by the chief of the contracting office.

E-10. Letter Formats.

a. Appointment letter. Ordering officers shall be appointed by a letter of appointment in the format illustrated in this Appendix. The purchase transaction in paragraph 2A(1) should be changed to "is not in excess of \$2500 in emergency conditions".

b. Termination letter. The appointment of an ordering officer shall remain in effect until the ordering officer is reassigned or his employment is terminated, but it may be revoked at any time by the chief of the contracting office. No revocation shall be made to take effect retroactively. Termination of appointments shall be in writing except when contracts against which ordering officers are appointed to place delivery orders expire upon the dates established in the contract.

c. Report forms. The DD Form 1057, Monthly Contracting Summary of Actions \$25,000 or Less, requires information that is captured from the Feeder Report and the Register of orders (sample follows in appendix).

d. Letter of Clearance/Termination is included in the illustrated formats in this appendix.

Format for letter designating an Ordering Officer

Use official letterhead and follow standard procedures for correspondence. Address the designation to the individual by name, including rank or grade, and full mailing address.

(Official Letterhead)

(Office Symbol)

(Date)

SUBJECT: Appointment of Ordering Officer

1. Appointment. Under AFARS 1.602-2-91, you are appointed an Ordering Officer for the purposes set forth in paragraph 2. Your appointment shall become effective (enter date) and shall remain effective, unless sooner revoked, until expiration of the contract(s) enumerated in paragraph 2 or until you are reassigned or your employment is terminated. You are responsible to and under the technical supervision of the chief of the (enter name of installation or activity) contracting office for your actions as an Ordering Officer.

2. Authority, Limitations and Requirements. Your appointment is subject to the use of the following method(s) of purchase, limitations and requirements:

a. Subject to your ensuring that local purchase authority exists for the transaction, you may make purchases using imprest funds for payments and using Standard Form 1165, Receipt for Cash--Subvouchers, provided all of the following conditions are satisfied:

(1) The aggregate amount of a purchase transaction is not in excess of \$500 under emergency conditions. You may not split purchases to avoid this monetary limitation.

(2) The supplies or non-personal services are available for delivery within 60 calendar days, whether at the supplier's place of business or at destination.

(3) The purchase does not require detailed, technical specifications or technical inspection.

b. Subject to your ensuring that funds are available and that local purchase authority exists for the transaction, you may make purchases using Standard Form 44, Purchase Order--Invoice--Voucher, provided all of the following conditions are satisfied:

(1) The aggregate amount of the purchase transaction is not in excess of \$2,500. You may not split purchases to avoid this monetary limitation.

(2) Supplies or non-personal services are immediately available.

(3) One delivery and one payment shall be made.

c. Subject to your ensuring that funds are available and that local purchase authority exists for the transaction, you may place delivery orders (DD Form 1155) without monetary limitation, except that specified in individual contracts, against--

(1) Brand Name contracts published in Defense Personnel Support Center Supply Bulletins in the SB 10-500 or SB 10-600 series;

(2) Defense Personnel Support Center requirements contracts for

subsistence items;

(3) Defense Fuel Supply Center and Defense General Supply Center requirements contracts; and

(4) The following indefinite delivery contracts, copies of which are attached: (List contracts by number and name of contractor.)

d. Subject to your ensuring that funds are available and that local purchase authority exists for the transaction, you may place Service Orders for Household Goods, DD Form 1164, against Commercial Warehousing and Related Services for Household Goods contracts for military and civilian personnel, subject to the criteria and procedures prescribed in DoD 4500.34-R, Chapter 2, and provided that no Service Order shall be in excess of \$10,000.

e. You are responsible for (1) distributing and administering delivery orders that you place, (2) establishing controls necessary to ensure that all contract terms and conditions are met and that supplies or nonpersonal services ordered conform to contract requirements before acceptance is made or payment authorized, and (3) reporting deficiencies in contractor performance promptly to the contracting officer who awarded the contract against which the delivery order was placed. You may not make any changes in the terms or conditions of any contracts against which you place delivery orders.

f. The authority granted in this appointment may not be re-delegated to any other person.

3. Standards of Conduct and Contracting Action Reporting Requirements.

a. You shall comply with the standards of conduct prescribed in DoD 5500.7-R.

b. You shall furnish the undersigned and the contracting officer to whom you are responsible such information as may be required for contracting action reporting purposes in the manner and the time specified.

4. Termination of Appointment.

a. Your appointment may be revoked at any time by the undersigned authority or successor and shall be terminated in writing, except that no written termination of your appointment shall be made upon expiration or termination of contracts enumerated in paragraph 2.

b. Should you be reassigned from your present position or separated from Government service while this appointment is in effect, you shall promptly notify the appointing authority in writing. Your appointment will be terminated in writing if you are reassigned; it shall automatically be terminated on the date you are separated from Government service, if it is not revoked sooner.

5. Acknowledgment of Receipt. You are required to acknowledge receipt of this appointment on the duplicate copy and return it to the contracting officer. Your signature also serves as certification that you have read and understand the contents of DoD 5500.7-R. The original copy of this designation should be retained for your file.

SIGNATURE BLOCK OF
APPOINTING AUTHORITY

Receipt of this appointment is acknowledged.

NAME: (Print or type)

SIGNATURE:

TITLE:

DATE:

RANK/GRADE:

TELEPHONE:

1057 FEEDER REPORT

SF 44 ACTIONS

Ordering Officer:

Month Period: _____

Total Dollar Value: _____

Total Number of Actions: _____

Monthly reporting period is 21st through 20th of each month.

Also attach copy number 4 of each SF 44 issued during the reporting period.
(See Appendix G)

REGISTER OF ORDERS

SF 44

Name: _____

Organization: _____

Month Period: _____

Order No.	Date	Description	Dollar Amount	Vendor
(See Appendix G)				

Format for letter of clearance

(OFFICE SYMBOL) (DATE)

MEMORANDUM FOR DIRECTOR OF CONTRACTING

SUBJECT: Letter of Clearance

1. The ordering officer whose name appears below was appointed an ordering officer on (DATE).

NAME: SSN: APPT #:YY-##

2. I have reviewed the following checked items which apply:

a. Original copy of appointment letter.

b. Copies of all reports filed previously.

c. A complete report for any period between the last report and the date of termination, including all copies of the SF 44, all sales slips or other receipts, and any justifications, if any, regarding price or source reasonableness.

d. An original copy of the DA Form 3953.

e. All unused SF 44s.

3. I certify the following SF 44s are cleared, contractually sufficient, and within the scope of the appointed authority.

(Number - Number)

4. I certify the following SF 44s are not cleared, as they exceed the appointed authority.

(Number - Number)

(If NONE, so state)

(OPTIONAL PARAGRAPH 3)

3. I certify no SF 44s were issued against this appointment and all SF 44s in the ordering officer's possession have been returned to the chief of the contracting office.

NAME

GRADE/RANK

Format for termination of an Ordering officer's appointment

(OFFICE SYMBOL)

(DATE)

MEMORANDUM FOR (Name) (SSN) (Organization) (Address)
(Location)

SUBJECT: Termination of Ordering Officer Appointment
No. (YY-##)

1. Your appointment as an ordering officer is hereby terminated.

2. The following SF 44s are cleared, contractually sufficient and within the scope of the appointed authority.

(Number - Number)

The following SF 44s are not cleared as they exceed the appointed authority.

(Number - Number)
(If None, so state)

(OPTIONAL PARAGRAPH 2)

2. No Standard Form 44s were issued by you and all SF 44s issued to you have been returned to this office.

(NAME)
(Rank, Branch)
(Chief of Contracting Office)

APPENDIX F

Contingency Contracting Support Kit

F-1. Planning. Each Contracting Officer (FA 97) and deployable contracting element must prepare a Contingency Contracting Support Kit. From previous experience, gathering procurement regulations, equipment, and forms upon deployment notification is too late. Units are already deploying to the site and procuring locally to respond to immediate needs. As a result, there may be many unauthorized purchases which will create a workload upon the arrival of procurement personnel. Individual kits should be developed to specific scenarios or anticipated deployment areas, but all should include samples of a Price Negotiation Memorandum (PRM), a Buyer's Worksheet, and a Justification and Approval (J&A).

F-2. The Contingency Contracting Support Kit:

a. Each kit should include a 90-day supply of the following forms and materials:

FOR INITIALLY DEPLOYING CONTRACTING ELEMENT:

- o DA Form 3953, Purchase Request and Commitment
- o DD Form 250, Material Inspection and Receiving Report
- o DD Form 350. Individual Contracting Action Report
(Over \$25,000)
- o DD Form 1057, Monthly Contracting Summary of Actions
\$25,000 or less
- o DD Form 1155, Order for Supplies or Services

- o Standard Form 18, Request for Quotation
- o Standard Form 26, Award/Contract
- o Standard Form 30, Amendment of Solicitation/
Modification of Contract
- o Standard Form 33, Solicitation, Offer, and Award
- o Standard Form 44. Purchase Order-Invoice-Voucher
- o Standard Form 129, Solicitation Mailing List
Application
- o Standard Form 252, Architecture-Engineer Contract
- o Standard Form 254, Architecture-Engineer and Related
Services Questionnaire
- o Standard Form 255, Architecture-Engineer and
Related Services Questionnaire for Specific Project
- o Standard Form 1165, Receipt for Cash-Subvoucher
- o Standard Form 1409, Abstract of Offers
- o Standard Form 1442, Solicitation, Offer, and Award (Construction,
Alteration or Repair)
- o Standard Form 1449, Solicitation/Contract/Order for Commercial Items

FOR MAIN ELEMENT CONTRACTING OFFICE:

- o DA Form 3953, Purchase Request and Commitment
- o DD Form 250, Material Inspection and Receiving Report
- o DD Form 350. Individual Contracting Action Report (Over \$25,000)
- o DD Form 448, Military Interdepartmental Purchase Request (MIPR)
- o DD Form 448-2, Acceptance of MIPR
- o DD Form 1057, Monthly Contracting Summary of Actions \$25,000 or less
- o DD Form 1155, Order for Supplies or Services
- o DD Form 1593, Contract Administration Completion Record
- o DD Form 1594, Contract Completion Statement
- o DD Form 1597, Contract Close-out Checklist
- o DD Form 1598, Contract Termination Status Report
- o Standard Form 18, Request for Quotation
- o Standard Form 26, Award/Contract
- o Standard Form 30, Amendment of Solicitation/Modification of Contract
- o Standard Form 33, Solicitation, Offer and Award
- o Optional Form 336, Continuation Sheet
- o Standard Form 44, Purchase Order-Invoice-Voucher
- o Standard Form 129, Solicitation Mailing List Application
- o Standard Form 1165, Receipt for Cash-Subvoucher
- o Standard Form 1402, Certificate of Appointment
- o Standard Form 1403, Preaward Survey of Prospective Contractor General
- o Standard Form 1409, Abstract of Offers
- o Standard Form 1410, Abstract of Offers - Continuation
- o Optional Form 1419, Abstract of Offers - Construction
- o Standard Form 1449, Solicitation/Contract/Order for Commercial Items

b. A list of authorized Procurement Instrument Identification Numbers (PIIN) IAW DFARS 204-7003, Uniform Procurement Instrument Identification Numbers. These numbers should be provided by a sponsoring support contracting activity, possibly where the contracting element deploys from or is based. PIINs will facilitate the incorporation of the contracts into the sponsoring activities' files and records. The numbering system is used to facilitate control of individual contracting actions. Registers of the PIINs will be maintained according to the type of contracting action as follows:

- o Blanket Purchase Agreements (A)
- o Invitation for Bids (B)
- o Contracts (C)
- o Indefinite Delivery Type Contracts (D)
Contracting actions placed with/thru other Government departments or agencies or against contracts placed by department or agencies outside the DoD. (i.e., NIB, NISH, UNICOR.)(F)
- o Basic Ordering Agreements (G)
- o Lease Agreement (L)
- o Purchase Orders (M)
- o Request for Quotations (Q)
- o Request for Proposal (R)

c. Catalogs with pictures of supplies. Because of probable language barriers, such catalogs would be very helpful. Catalogs of hardware, construction supplies, automotive parts, among others, would be useful.

d. Administrative and other supplies, such as:

- (1) Office supplies.
- (2) Contract file folders.
- (3) Hand-held calculators and batteries.
- (4) Field safe and/or security container.
- (5) Flashlights and batteries.
- (6) Sample contract formats.
- (7) Authority to carry a sidearm (DA Form 2818, Firearms Authorization).
- (8) SF 1402, Certificate of Appointment, issued by the Head of Contracting Activity (HCA) or the Principal Assistant Responsible for Contracting (PARC).
- (9) A personal computer with CD-ROM, printer and modem, and a manual typewriter with ribbons.
- (10) A small photo copier.
- (11) Facsimile machine.
- (12) Polaroid camera, batteries, flash and film.
- (13) FAR (available in paperback), Defense Acquisition Deskbook, DFARS and AFARS.

e. Currency. The need for cash and U.S. Treasury checks should be determined in conjunction with the finance and accounting office. FAR 25.501 (a) requires that contracting officers make a determination if offshore contracts with local firms are to be paid in local currency. The use of U.S. currency requires a status of forces agreement with the Host Nation.

(1) Cash or U.S. Treasury checks will remain in the possession of finance and accounting office personnel. Authorized finance personnel or finance officer's representative will normally accompany the ordering officer to pay on the spot for goods received.

(2) A list of banking facilities available in the host country where U.S. cash and checks may be converted to local currencies would be helpful to both finance and supply personnel.

F-3. MTOE Equipment.

- (1) Mask, Protective CBR.

(2) Pistol, 9mm and/or Rifle, 5.56mm M16A2.

(3) Portable Phone, Cellular.

F-4. Logistical Support Data Bases. U.S. Army, Pacific is developing a data base designed to identify potential sources of goods and services throughout the Pacific theater. The data base is exportable and can be tailored to meet the needs of deployed units. Such data bases may already be available at your site and should be used to supplement operations whenever possible.

F-5. Voltage Requirements. Equipment may need to be adapted to use the local power sources so include these adapters in your kit. Also, bring along extra batteries/power packs in support of your equipment.

F-6. Standard Specifications.

a. When acquiring logistics and life support through contractual means, writing adequate specifications is one of the most difficult tasks the requiring activity will encounter. In order to simplify the process and provide assistance to requiring units, the following specifications are samples of standard requirements which should be prepared in advance of any deployment. Standard specifications under contingency conditions only require the DA Form 3953, Purchase Request and Commitment, attached with certified funds and authorized signatures.

b. Preparing standard specifications before deployment with the coordination of requiring activities, expedites the process for the unit, clarifies and simplifies the work for the contracting office, and eliminates gold plating or excessive specifications that are beyond the government's minimum needs.

SAMPLE - HOST NATION (HN) COMMODITY DESCRIPTIONS

These general guidelines are not detailed specifications as used for commercial contracting. It is understood that reasonable variations to conform to HN capabilities and the needs of the U.S. Army will be made so long as the safety and the health of U.S. personnel are not endangered.

PERMANENT FACILITIES

Office Space:

Will be heated to ____ C (+/- 3 degrees C), lighted to a minimum of ____ lux at desk level, and have as a minimum:

- a. Sufficient number of desks and chairs to accommodate ____ personnel.
- b. Use of normal office provisions such as paper, pencils, typewriters, calculators, etc.
- c. Access to telephones, copy machines, etc. as listed in the schedule.
- d. Access to sanitary facilities.

Dining/Mess Facilities:

Will be heated to ____ C (+/- 3 degrees C), lighted to a minimum of ____ lux at table level and have as a minimum:

- a. Sufficient number of wares (plates, bowls, glassware, spoons, knives, forks) and tables and chairs to accommodate the total number of personnel indicated.
- b. Condiments such as, but not limited to, salt, pepper, sugar, and sauces.
- c. Access to sanitary facilities.

Wash Rack:

Will have as a minimum:

- a. Roof and sufficient space to accommodate the following vehicles:
- b. Access to steam cleaners, water and electricity as follows:
- c. Access to portable or fixed ramps.

SAMPLE - CONTRACTED SUPPLIES AND SERVICES

UCC Specification F 0001 - Forklifts:

1. Forklifts provided by the contractor for the stated rental period will be of commercial type that is equipped for outdoor use. The lifts must have the capability of lifting _____ kilos, to a minimum of 2.5 meters in height. In addition the equipment will be capable of maintaining stability on a 6 percent incline, while handling a load of the specified amount.
2. At the time of delivery the forklifts shall be in sound mechanical condition free of all known defects and ready for immediate use. The equipment must meet all the applicable standards (i.e., government and trade unions) for safe operation.
3. The forklifts will be equipped with the following:
 - a. Gas/diesel powered engine.
 - b. Self-sustained electrical system to include an electric starter.
 - c. Pneumatic tires (snow chains to be provided during winter if applicable).
 - d. Spark proof exhaust system.
 - e. Front and rear lights that will facilitate on road operations during hours of darkness.
 - f. Driver protection roll bar.
 - g. Adjustable forks.
 - h. Warning device (automatically activated when the lift is placed in reverse gear).
4. The contractor shall furnish all the transportation, labor, material, and supervision required for the delivery, operational test, repair and maintenance, and removal of the equipment through the end of the rental period. In addition, the contractor shall furnish all POL products, (with the exception of fuel). This is to include distilled water for batteries.
5. The contractor shall provide a point of contact for on-call maintenance and/or replacement of equipment. The point of contact must be available from 0800 to 2100 to include Saturdays, Sundays and all local and American holidays. The contractor will provide all labor, material, and supervision required to keep the equipment in a serviceable and safe operating condition. Repair and maintenance may be performed on site, subject to coordination with the COR. If a forklift becomes inoperable due to the need for repair and/or maintenance, the contractor will be notified immediately. The contractor must respond, within six (6) hours after notification, to perform the repair and maintenance services. If repair and maintenance services cannot be performed within the same day, the contractor shall furnish a

replacement unit. Equipment that remains inoperable for more than a 12-hour period will be considered not available for use and rental fees will cease until the equipment is repaired to a fully operational condition or replaced with a serviceable unit. The pickup and removal of inoperable equipment will be accomplished at contractor expense.

6. Acceptance of forklifts by the government. At the time forklifts are delivered to the government, the contractor shall issue a form, written in English, for each forklift, which provides the user a means to annotate the conditions of the equipment. In addition, general operating instructions, to include refueling procedures, how to check and add oil, proper operating techniques, and preventative maintenance procedures will be provided by the contractor. The contractor and the COR will jointly inspect the equipment for completeness and will list all damage (to include scratches and dents, etc.) on the inspection form. The inspection form must be signed and dated by both the COR and the contractor as acknowledgment that the forklift was received by the government in the condition described/annotated. A copy of the inspection form will be retained by the contractor and the COR for use during the joint inspection at the end of the rental period.

7. Return of forklifts to contractor. Upon expiration of the rental period, forklifts will be returned to the contractor, clean, and complete with all accessories. Utilizing the inspection form, a joint inspection will be conducted and all discrepancies will be noted. Both the COR and the contractor, or his authorized representative, will sign the inspection form to acknowledge the return of the equipment in the described condition. Reasonable wear and tear, as well as damages which are not annotated on the turn-in inspection form, will not be considered as valid if the contractor later submits a claim against the government.

APPENDIX G

Standard Form 44, Purchase Order-Invoice-Voucher

G-1. General. This appendix prescribes policies and procedures governing the activities of ordering officers authorized to make simplified acquisitions using Standard Form 44.

G-2. Responsibilities of Ordering Officers.

a. Prior to initiating any procurement using an SF 44, ordering officers must ensure--

(1) Sufficient funds are available. A DA Form 3953, Purchase Request and Commitment Form, signed by a budget officer must be in place prior to the ordering officer entering into any transactions.

(2) The purchase amount of any one transaction does not exceed the dollar limitation specified in the appointment letter. (The requirement will not be split to avoid this dollar limitation.)

(3) The supplies or services are available from the local trade area.

(4) One delivery of over-the-counter supplies or services and one payment will be made per SF 44.

(5) The price is fair and reasonable.

(6) The purchases are rotated among sources of supply when possible.

b. The ordering officer must--

(1) Prepare the Standard Form 44.

(2) Comply strictly with all provisions of the appointment letter.

(3) Maintain a register of orders issued and copies of each SF 44 with supporting documents.

(4) Promptly report individual transactions made during the month and at the completion of the operation.

(5) Become thoroughly familiar with the standards of conduct as prescribed in DoDD 5500.7-R, Joint Ethics Regulation, and review the regulation at least semiannually. The ordering officer will furnish the appointment authority a signed statement that the regulation has been read and is understood.

G-3. Policies/Uses of Standard Form 44.

a. The Standard Form 44 is printed as a carbon interleaved form with four sheets per set and provides, in one document, a purchase or delivery order, a receiving report, a property

voucher, and a payment voucher.

b. Purchases with this form will only be made by a duly appointed ordering and/or contracting officer. Total dollar amount on each SF 44 will not exceed the dollar limitation specified in the appointment letter.

c. Simplified acquisitions normally will be for off-the-shelf items. Prices may be obtained by telephone or from a vendor's place of business. Only one source of supply need be considered, so long as the ordering officer can justify the price as fair and reasonable, and the purchase amount is not over the micro-purchase threshold. Every attempt should be made to rotate vendors.

d. Similar type items will be consolidated, whenever possible, into one order. Requirements will not be split to avoid the limitations of the ordering officer's authority. When the aggregate monetary amount exceeds the authorized dollar limitation of the ordering officer the requirements will be referred to the contracting officer for procurement action.

e. Ordering officers cannot re-delegate their responsibilities and will sign all documents used for purchasing with the same name as appears in their appointment letter with the title "Ordering Officer." No one will sign for an ordering officer as "substitute" or "alternate."

f. When a purchase is to be made using the SF 44, the ordering officer executes the purchase document. The items will be signed for by the receiving officer and paid by the Finance Officer's Representative agent. (If the Finance Officer's Representative is not available, the ordering officer will give the seller copies 1 and 2 of the SF 44, with instructions to forward copy 1 to the finance and accounting office (F&AO) at the address shown on the SF 44 for payment.) When a "Discount" is offered by the vendor, the SF 44 will be processed and forwarded for payment without delay in order for the government to take advantage of such discount.

g. Ordering officers will not make any purchases from individuals who are employed by the U.S. Government, or from a company with which the ordering officer or associates have an interest or stock. If this is the only source of supply, the contracting officer must be notified.

G-4. Distribution of Standard Form 44.

a. When the SF 44 is paid immediately by the Finance Officer's Representative, Copy 1 is signed by the seller and given directly to the Finance Officer's Representative.

b. Copy 2 (Seller's Copy of Invoice) will be given to the vendor at the time of purchase.

c. Copy 3 (Accounting Copy) will be retained by the Finance Officer's Representative

d. Copy 4 will be retained by the ordering officer and forwarded with the end of month report.

e. Copy 5 will be annotated by the receiving organization and forwarded to the proper administrative field office.

G-5. Utilization of Standard Form 44.

a. The ordering officer must be aware of the fact that just because an item is authorized by a TDA or other publication does not mean it is authorized for local purchase. Items which are not utilized in direct support of the activity for which the ordering officer was appointed may not be purchased. Purchasing items or contracting for services, other than those authorized, is not legal and the ordering officer may be held pecuniary liable.

b. The ordering officer must be aware that the SF 44 is a direct draft upon the U.S. Treasury and may be accepted by vendors without further proof of authority to execute. Therefore, the ordering officer must safeguard all SF 44s or risk being held accountable for those forms presented for payment over the signature of someone other than the ordering officer.

c. The SF 44 may be used to purchase when one or more of the following conditions exist:

(1) When an emergency situation precludes submission of a purchase request through normal supply channels. Lack of foresight or preplanning does not constitute an emergency.

(2) When authorized supplies are not available through normal supply channels and local procurement for these supplies has been determined to be the most efficient means of re-supply.

(3) When there are no other sources of U.S. Government supply available within a reasonable area.

d. Ordering officers are not authorized to purchase supplies or services available under Federal Supply Schedule (FSS) contracts. Since the types of supplies covered by FSS are greatly varied, the contracting office should identify all applicable FSS contracts, minimum order quantities, and options for supplies that may be needed during a contingency, humanitarian assistance or peacekeeping operation.

G-6. Preparation of Standard Form 44.

a. Ordering officer will fill out the SF 44 with ballpoint pen or it may be typed. All copies of the form must be legible.

b. Order Identification Number: The ordering officers should use the numbers provided by the contracting office and only resort to local numbering if none were provided. In any event the ordering officer must provide the contracting officer a "Record of Purchases".

c. Date of Order: The date the order is placed.

d. Order Number: The "WF6XXX-90-M-0004" reflects the purchase instrument identification number used on the order.

e. Payee or Seller: Business or trade name and address of the vendor must be correct in order to facilitate payment.

f. Furnish Supplies or Services: Print your activity address.

g. Supplies or Services, Quantity and Unit Price: Completed by the ordering officer.

h. Amount, Total and Discount Terms: Must be completed prior to the signature of the ordering officer. Every effort will be made to obtain any applicable discounts. If none is obtained, enter the word "NET" in this block. Other type discounts (quantity, preferred customer, trade, U.S. Government, etc.), if obtained will be computed and recorded directly under the listing of supplies or services.

i. Date Invoice Received: The date of receipt by the ordering officer of the properly signed Seller's Invoice (Copy 1).

j. Agency Name and Billing Address: The address for the finance and accounting office supporting your command.

k. Ordered By: The title and signature of the ordering officer will be used on all copies of the form.

l. Purpose and Accounting Data: The fund cite shown on the DA Form 3953 will be written out in full in this block.

m. Received By: When the delivery or pickup is made, this information will be completed by the receiving officer.

n. Seller: The seller/vendor signs and dates all copies of the form on the date payment was received by the seller, or payment requested by mail by seller if the SF 44 invoice is to be mailed by seller to F&AO. The appropriate "Payment Received"/"Payment Requested" blocks are checked by seller.

o. All other spaces are reserved for finance and accounting office use.

G-7. Record of Purchases by the Ordering Officer.

a. The ordering officer will maintain a record of purchases made in register format. The register will show as a minimum, purchase instrument number, vendor identification and total cost of the transaction.

b. The ordering officer will also maintain a record of funds remaining available to him on the back of the DA Form 3953. This will be maintained in checkbook register style, with each entry being subtracted and a running balance maintained at all times.

G-8. Reporting of Individual Transactions.

a. A report of the transactions made during the month will be made directly to the contracting office no later than the last

day of each month. Cutoff date for the report will be the 20th day of each month to ensure submittal of the report by the last day of the month.

b. Ordering officers appointed for less than one month, or for an operation lasting less than four weeks, but overlaps the 20th of the month in which the appointment begins, will report NLT after the end of the operation or the date of termination stated in the appointment letter.

c. Negative reports are required in all cases.

d. Ordering officers must clear all their SF 44s prior to departing the command.

APPENDIX H

DA Form 3953, Purchase Request and Commitment

H-1. Purpose. The purpose of this form is to--

- a. Furnish a document which evidences the first step in procurement and which can be scrutinized by all interested officials in advance of actual purchase negotiations.
- b. Provide a medium on which the finance and accounting officer can indicate approval as to the availability of funds and correctness of the accounting classification.
- c. Provide a means of certifying committed and available funds.
- d. Provide a worksheet portion on which to record abstract data as required for procurement action.
- e. Provide space for maintenance of an obligation record in case partial obligations are involved.

H-2. Local Procurement. DA Form 3953 is required when used in connection with local purchase of subsistence supplies as prescribed in AR 30-18, but is not mandatory as prerequisite to other procurement actions.

H-3. Use as a Purchase Request. DA Form 3953 executed as a purchase request will be completed by the requesting unit to show in the appropriate spaces--

- a. Requisition number and date.
- b. Explanation of necessity for local procurement.
- c. Description, quantity, and purpose of items requested.
- d. Signature and titles of initiating officer, supply officer, and the commander or designee.
- e. Funds authorized for use and approval of the fund use.
- f. Required delivery date or period of performance.

H-4. Preparation. The form will be prepared by the initiating office in as many copies as necessary to satisfy local administrative needs. As a minimum, the form will be prepared in an original and three copies and routed as follows:

- a. User/Requester should provide the estimated cost and forward the (original and two copies) to the authorized approving official for approval and certification of availability of funds.
- b. The authorized approving officer will retain one copy and forward the original and one copy to the contracting office for procurement processing.

H-5. Retained Copies. Copies retained in the finance and accounting office will be placed in a commitment file pending

receipt of the obligating documents. Upon receipt of the obligation document, a comparison will be made with the retained copy of commitment to determine correctness of the accounting classification and amounts. The retained copy then will be attached to the file copy of the obligation document. In the event more than one obligation document is issued against an individual commitment, the retained commitment, with recorded previous obligations, will be attached to the final obligation document.

H-6. Worksheet. The "worksheet" portion of the form (front right) is designed to reflect data required for preparation of the procurement instrument.

H-7. Reverse Side of Form. The reverse side of the form is designed for maintaining a record of obligations incurred and determining the unobligated balance of the commitment when partial obligations are involved. It is not to be used when the full amount of the commitment is obligated with a single instrument. When used, annotate the reverse side of the form with the following:

- a. Amount committed.
- b. Date and identifying number of each obligation document.
- c. Amount of each purchase order, contract, or other obligation document applicable to the commitment.
- d. The unobligated balance of the commitment. This balance is derived by subtracting the total of the obligations from the amount of the authorized commitment.
- e. Any remarks necessary for adequate administrative control of the transactions or activities in connection with the commitment.

APPENDIX I

DD FORM 448, Military Interdepartmental Purchase Request (MIPR)

I-1. Issuance of MIPR. The preparation and use of DD Form 448 is substantially self explanatory. Information provided in the MIPRs shall be arranged in the uniform contract format to the extent feasible. The preparation and issuance of the MIPR will be accomplished by the resource management (comptroller) office.

I-2. Acceptance of MIPR.

a. As soon as practicable after receipt of a MIPR, the resource officer shall formally accept the MIPR by issuing a DD Form 448-2, "Acceptance of MIPR." Entries will be typed or printed with ballpoint pen. Sections (1) through (17) below correspond with the numbered blocks on the form and are provided as instructions on how to complete the DD Form 448-2.

(1) Enter address of requiring activity.

(2) Enter MIPR number.

(3) Enter amendment number if this is an amendment.

(4) Enter date MIPR was signed.

(5) Enter dollar amount from MIPR.

(6) Indicate how items will be provided.

(7) Check this box if any one of the MIPR line items is not accepted.

(8) List item numbers, quantities, prices, and total estimated prices for items provided through reimbursement.

(9) List item numbers, quantities, prices and total estimated prices for items purchased by direct citation of funds.

(10) Whenever information is placed in Block 9 for items purchased by direct citation of funds, the approximate contract award date is to be entered.

(11) Enter the total amount of funds required by the procuring department to fund the MIPR items, as accepted.

(12) If the amount in Item 5 is not in agreement with the amount in Item 11, then Item 12 needs to be completed indicating overfunding or underfunding.

(13) If the MIPR line item was not accepted as indicated in Item 7, indicate the line item number and the reason. Also, if any additional funds are required, give justification by MIPR line item.

(14) Enter address of accepting activity.

(15) Enter name and title of accepting activity

official.

(16) Official signature.

(17) Enter date signed.

b. The requester will be furnished four copies (one signed) of the DD Form 448-2. Additionally, each time the MIPR is amended to adjust funding or the delivery schedule, another DD Form 448-2 shall be executed.

I-3. Notification of Inability to Obligate. On 1 August of each fiscal year, the contracting office will advise the resource manager of any MIPRs on hand citing expiring appropriations on which they will be unable to obligate the funds prior to the funds expiration date.

APPENDIX J

DD Form 1155, Order for Supplies or Services

J-1. Preparation.

a. Entries will be typed or printed with ballpoint pen.

b. The DD Form 1155 shall not be used by the contracting officer when issuing written solicitations and awarding contracts and placing orders for commercial items.

c. When preparing the DD Form 1155 as a purchase order, in addition to including the appropriate clauses, the following information will be inserted by the contracting officer: Sections (1) through (25) below correspond with the numbered blocks on the form and are provided as instructions for completing the DD Form 1155. (Differences between these instructions and the guidance in DFARS 253.213-70 are intended to reflect the need for flexibility in form preparation for contingency, humanitarian assistance or peacekeeping contracting purposes.)

(1) Enter the Procurement Instrument Identification (PII) Number. When used as a Purchase Order enter the supplementary identification number (for example: PII Number - 0001).

(2) Enter PII number for delivery orders, when applicable (ie. 001)

(3) Enter the date of the order.

(4) Enter Requisition/Purchase Request Number.

(5) Enter the Appropriate Program ID Code as identified in the Defense Priorities and Allocations System Regulation.

(6) Insert the name and address of the issuing office to include the buyer's name and phone number.

(7) Enter the name and address of the organization responsible for contract administration. If it is the purchase office, insert the statement "See Block 6."

(8) Indicate the Free on Board (FOB) point by checking the applicable box. (For example, if the Government must pick up the supplies, check "other.")

(9) Enter the full business name and address of the contractor or quoter. Disregard the code blocks.

(10) If a single delivery date is applicable, enter it. If multiple delivery dates are applicable, enter "See Schedule" and list delivery dates in the schedule.

(11) Check the appropriate box (i.e. Small Business, Small disadvantaged, etc.)m IN

(12) Enter discount for prompt payment in terms of percentages. (For example: 3 percent discount for payment in 20

days would be written as "3% - 20 days.")

(13) If one of the previous blocks contained the address to mail the invoice to, refer to that block number. Otherwise insert "See Schedule."

(14) If a single ship to point is applicable, enter it here. If multiple ship to points are used, insert "See Schedule."

(15) Enter the name and address of the activity making payment.

(16) Check the block that indicates this is a purchase order. In the next block indicate the type of quotation, i.e., oral or written. If you want the contractor to accept the purchase order, check the last block and indicate the number of copies to be returned.

(17) Enter the accounting classification applicable to the order. If more than one accounting classification is applicable, indicate in the schedule which accounting classification is applicable to which line item.

(18) Enter an item number for each item of supply or service separately identified. (The first line item should be 0001, next 0002, etc.) For each subline item, add a two-letter suffix to the line item number. (The first subline to the first line would be 0001AA. The second subline item to the first line would be 0001AB, etc.) (The letters "I" and "O" shall not be used.)

(19) Enter the most descriptive noun or verb of the supplies or services to be furnished followed by additional words as necessary to complete the description. A national stock number (NSN) should be included if available. Indicate if any quantity variance is allowed by a plus or minus percentage. Also, indicate the point at which inspection/acceptance will take place, presentation and packaging requirements and packing level.

(20) Enter the total quantity ordered for each line item or if these are subline items for each subline item.

(21) Enter the unit of measure.

(22) Enter the unit price per line item or subline item.

(23) Enter the extended dollar amount (quantity x unit price) for each line item.

(24) Enter signature of ordering officer or contracting officer.

(25) Enter the total amount of the order.

d. The remaining blocks are the responsibility of those performing the receiving and payment functions.

J-2. Distribution. The copies of the DD Form 1155 are

distributed as follows: Copies 1, 2, 5, and 6 go to the Theater/Corps Finance Group; copy 3 goes to the contractor; copy 4 stays in the contract file. The remaining copies (7, 8, 9 and 10) go to the customer. (Note: this distribution is only one possibility and can be altered; however, copy 1 always goes to F&AO for payment.)

J-3. Filing. A file folder with PII number matching the purchase order will be established. The file will contain the purchase request, the fourth copy of the DD Form 1155, any Memorandum(s) for Record, any modifications (SF 30), and related information. Basic procurement documents and all modifications should be filed on the left side of the folder, and all other material on the right side.

J-4. Blanket Purchase Agreement (BPA).

a. The DD Form 1155 is completed much in the same way except the schedule will not be used to order anything.

b. A register should be prepared for each BPA. Each call issued against that BPA will be logged and numbered sequentially. Each register should include the vendor's name, the date the call was placed, the requisition or request number, a brief description, and the total dollar value of the purchase. If the call was first placed by telephone, the confirming DD 1155 issued later should be marked "Confirmation Order - Do Not Duplicate."

APPENDIX K

Standard Form 1165, Receipt for Cash-Subvoucher

K-1. Procedures.

a. The ordering officer (or other authorized individual) designated by the contracting officer to pick up material is given a cash advance by the imprest fund cashier. The individual receiving the cash advance shall sign the "Interim Receipt for Cash" portion of Standard Form 1165, or an equivalent receipt form, when the cash is actually received from the imprest fund cashier. Enter the date the advance is received and the amount of imprest funds received. The amount should be written in numerals. The entries should be printed with a ballpoint pen.

b. As the ordering officer, or other requisitioner, you should obtain a sales or receipt document from the vendor to include the following:

- (1) The date of payment.
- (2) The amount paid.
- (3) A statement that cash payment was received in full.

(4) The signature and title of the supplier or his agent who received the cash payment.

c. If this is done, there is no need for the "Receipt for Cash-Subvoucher" portion of the SF 1165. However, if a sales or receipt document is not obtained, the Receipt for Cash-Subvoucher must be completed. Sections (1) through (8) below are provided as instructions on how the Receipt for Cash-Subvoucher should be completed.

(1) Enter the subvoucher number, to designate which subvoucher this is, and today's date.

(2) Next to "Received in Cash From" enter "Imprest Fund." Complete the amount of payment in both words and numerals.

(3) Individually list the supplies or services purchased with the money. Enter the appropriate quantity and cost per item in the columns as indicated. Assure these supplies or services and quantities are the same as those on the purchase request.

(4) Enter the complete name and address of the vendor.

(5) Sign in the block entitled "Purpose."

(6) Enter the appropriation and accounting classification for this purchase.

(7) Have the supplier (vendor) sign here when you receive the goods or services and pay for them. The job title of the supplier should be entered below the signature.

(8) The ordering officer or requisitioner, after the purchase has been made, will return any unused cash to the imprest fund cashier, along with the aforementioned sales or receipt document, at which time the imprest fund cashier shall mark the Interim Receipt for Cash "void" and return it to the ordering officer or requisitioner.

Appendix L

Standard Form 30, Amendment of Solicitation/Modification of Contract

L-1. Procedures.

a. When preparing a contract modification, an SF 30 (Amendment of Solicitation/Modification of Contract) will be used. Entries will be typed or printed with ballpoint pen.

b. Sections (1) through (16) below correspond to the block numbers on the form, and are provided as instructions for completing an SF 30.

(1) Enter the contract identification code for the applicable contract.

(2) Enter the modification number (i.e., P00001 for the first).

(3) Enter the date the modification is to become effective.

(4) Enter the original requisition or purchase number. This is for the benefit of the customer.

(5) Not applicable unless there is a project number. Normally applicable for construction.

(6) Enter complete name and address.

(7) Enter the administrator's name if it differs from section (6) above.

(8) Enter the name and address of the seller or supplier.

(9) Not applicable, unless being issued as an amendment to a solicitation.

(10) Enter the contract identification code from section (1) above or the applicable purchase order or delivery order number if an order is being modified. Provide contract or order date.

(11) Not applicable, unless being issued as an amendment to a solicitation.

(12) Enter the accounting and appropriation data, if required.

(13) Check the appropriate box to indicate the type of modification. Insert the authority under which the modification is issued in the corresponding blank (see FAR 43.103). If Box "C" is checked, then Box "E" must also be checked requiring the contractor to sign this document. (If required to sign, send the contractor the original plus two copies; after signing, the contractor returns the original plus one.)

(14) Describe the modification. If you need more space, use additional OF 336 continuation sheets or blank paper.

(15) If the government wants a supplemental agreement, the contractor is required to sign first. The contractor should enter his/her name, title, and signature in the spaces provided. If this is a unilateral change order, no contractor signature is required.

(16) Type or print the name and title of the contracting officer in the space indicated. Sign in the space provided. Enter today's date.

L-2. Distribution. Once completed, modification distribution will be determined by local requirements; however, the following is a suggested pattern of distribution:

a. Contracting office keeps the original modification unless it pertains to a delivery order in which case the original is sent to commercial accounts.

b. Contractor - one copy.

c. COR - one copy.

d. Theater/Corps Finance Group - three copies.

e. Customer activity - all remaining copies (usually four).

L-3. Terminations.

a. To execute a no-cost settlement agreement involving a complete termination, place the no-cost statement (FAR 49.603-6) in block 14. Use (FAR 49.603-7) for partial terminations.

b. For those situations that will not lend themselves to a no-cost settlement, the SF 30 is to be used as a termination notice. Have the termination notice hand delivered and obtain a written acknowledgment from the contractor.

(1) Distribute copies of the termination notice in the same way described above. Extra copies should also be sent to any known assignee, guarantor, or surety.

(2) After a settlement proposal is obtained from the contractor, determine the need for an audit (not required if less than \$25,000), negotiate a final settlement, prepare a negotiation memorandum, and execute a supplemental agreement on a SF 30.

Appendix M

Standard Form 1449, Solicitation/Contract/Order for Commercial Items

P-1. Preparation.

a. Entries will be typed or printed with ball-point pen.

b. When preparing the SF 1449 as a purchase order, in addition to including the appropriate clauses, the following information will be inserted by the contracting officer: Sections (1) through (31) below correspond with the numbered blocks on the form and are provided as instructions for completing the SF 1449. (Differences between these instructions and the guidance in FAR 13.505 are intended to reflect the need for flexibility in form preparation for contingency, humanitarian assistance or peacekeeping contracting purposes.)

(1) Enter Requisition/Purchase Request Number.

(2) Enter the Procurement Instrument Identification (PII) Number. When used as a Delivery Order enter the supplementary number (for example: PII Number - 0001).

(3) Enter the date of the order.

(5) Enter solicitation number. (Solicitation)

(6) Enter date solicitation issued. (Solicitation)

(7) Insert the name and phone number of the buyer. (Solicitation)

(8) Enter date and time offer due. (Solicitation)

(9) Enter the name and address of the buying organization. Include point of contact and phone number.

(10) Mark appropriate block for limitation.

(11) Leave blank to indicate the Free on Board (FOB) point. (Check box if delivery is other than FOB destination.)

(12) Enter discount for prompt payment in terms of percentages. (For example: 3 percent discount for payment in 20 days would be written as "3 percent - 20 days.") (Contractor).

(13) Applies only if order is rated under the Defense Priority Allocation System (DPAS).

(14) Check appropriate block for method of solicitation.

(15) If a single ship to point is applicable, enter it here. If multiple ship to points are used, insert "See Schedule."

(16) Enter the name and address of the organization

responsible for contract administration. If it is the purchase office, insert the statement "See Block 9."

(17) Enter the full business name, address and phone number of the contractor or offeror. Disregard the code blocks. Check appropriate block if payment will be made to different address. (Contractor)

(18) Enter the name, address and phone number of the activity making payment. Check appropriate block if invoices should be submitted to a different address.

(19) Enter an item number for each item of supply or service separately identified. (The first line item should be 0001, next 0002, etc.) For each subline item, add a two-letter suffix to the line item number. (The first subline to the first line would be 0001AA. The second subline item to the first line would be 0001AB, etc.) (The letters "I" and "O" shall not be used.)

(20) Enter the most descriptive noun or verb of the supplies or services to be furnished followed by additional words as necessary to complete the description. A national stock number (NSN) should be included if available. Indicate if any quantity variance is allowed by a plus or minus percentage. Also, indicate the point at which inspection/acceptance will take place.

(21) Enter the total quantity ordered for each line item or if these are subline items for each subline item.

(22) Enter the unit of measure.

(23) Enter the unit price per line item or subline item. (Contractor)

(24) Enter the extended dollar amount (quantity x unit price) for each line item. (Contractor)

(25) Enter the accounting classification applicable to the order. If more than one accounting classification is applicable, indicate in the schedule which accounting classification is applicable to which line item.

(26) Enter total amount of award.

(27) Check appropriate box to indicate whether solicitation or contract incorporates clauses by reference or are attached.

(28) Check to indicate whether contractor should sign and return
SF 1449

(29) Enter appropriate information concerning contract award

(30a) Enter signature of offeror/contractor. (Contractor)

(30b) Enter name and title of individual authorized to sign for contractor. (Contractor)

(30c) Enter date contractor signed. (Contractor)

(31a) Enter signature of ordering officer or contracting officer.

(31b) Enter name of contracting officer.

(31c) Enter date contracting officer signed.

c. The SF 1449 may be used as a receiving document; blocks 32, 33 and 42c used for that purpose. Blocks 34 through 41 and 42a-c will be used by payment personnel.

APPENDIX N

Forms

N-1. Reproduction of Procurement Forms. Contracting offices may reproduce the Standard Forms, Optional Forms, and Department of Defense Forms that are illustrated in FAR Part 53 and DFARS part 253.

N-2. Prescription of Forms.

a. Contracting Authority and Responsibilities. SF 1402, Certificate of Appointment, is prescribed for use in appointing Contracting Officers as specified in FAR 1.603-3.

b. Contract Reporting. DD Form 350, Individual Contracting Action Report (Over \$25,000), and DD Form 1057, Monthly Contracting Summary of Actions \$25,000 or Less, are prescribed for use in reporting contract actions, as specified in DFARS 204.602(c).

c. Responsible Prospective Contractors. The following forms are prescribed for use in conducting preaward surveys of prospective contractors as specified in FAR 9.106-4.

(1) SF 1403, Preaward Survey of Prospective Contractor (General).

(2) SF 1404, Preaward Survey of Prospective Contractor (Technical).

(3) SF 1405, Preaward Survey of Prospective Contractor (Production).

(4) SF 1406, Preaward Survey of Prospective Contractor (Quality Assurance).

(5) SF 1407, Preaward Survey of Prospective Contractor (Financial Capability).

(6) SF 1408, Preaward Survey of Prospective Contractor (Accounting System).

d. Simplified Acquisition Procedures. The following forms are prescribed as stated below for use in simplified acquisitions, orders under existing contracts or agreements, and orders from required sources of supplies and services.

(1) SF 18, Request for Quotation, shall be used in obtaining price, cost, delivery, and related information from suppliers for simplified acquisitions as specified in FAR 13.107(b).

(2) SF 30, Amendment of Solicitation/Modification of Contract, may be used for modifying purchase orders as specified in FAR 13.503(b).

(3) SF 44, Purchase Order-Invoice-Voucher, is prescribed for use in simplified acquisitions simplified acquisition as specified in 13.505-3(b).

(4) SF 1165, Receipt for Cash-Subvoucher, may be used for imprest fund purchases as specified in 13.405(e).

(5) DD Form 1155, Order for Supplies or Services, may be used as follows:

(a) To accomplish simplified acquisitions as specified in DFAR 213.505-1.

(b) To establish Blanket Purchase Agreements (BPAs) as specified in FAR 13.201 and make purchases under BPAs as specified in 13.204(e)(3).

(c) To issue orders under Basic Ordering Agreements (BOAs) as specified in DFAR 216.703(d).

(d) To issue delivery orders under prepriced indefinite quantity and indefinite delivery requirement contracts as specified in DFARS 16.703(d)(2)(i).

e. Contracting by Negotiation. The following forms are prescribed for use in contracting by negotiation except for construction, architect-services, or simplified acquisitions simplified acquisition .

(1) SF 18, Request for Quotation, is prescribed for use in obtaining price, cost, delivery, and related information from suppliers for negotiated acquisitions as specified in FAR 15.406-2(a)(2).

(2) SF 26, Award/Contract, is prescribed for use in entering into negotiated contracts in which the signature of both parties on a single document is appropriate as specified in FAR 15.414(b).

(3) SF 30, Amendment of Solicitation/Modification of Contract, shall be used for amending requests for proposals (RFP) and may be used for amending requests for quotations (RFQ) as specified in FAR 15.410.

(4) OF 336, Continuation Sheet, shall be used in connection with the solicitation and award of negotiated contracts. Award of such contracts may be made by either SF 33 or SF 26 as specified in FAR 15.406-1(b) and 15.414.

(5) SF 129, Solicitation Mailing List Application, shall be used in establishing and maintaining lists of potential sources as specified in FAR 14.205-1(d).

(6) SF 1409, Abstract of Offers and SF 1410, Abstract of Offers - Continuation, may be used in recording offers and proposals.

(7) SF 1411, Contract Pricing Proposal Cover Sheet, (Cost or Pricing Data required) may be used in connection with requirements for obtaining cost or pricing data from offerors or contractors.

(8) SF 1449, Solicitation/Contract/Order for Commercial

Item, may be used:

(a) To accomplish simplified acquisitions as specified in FAR 212.204.

(b) To make purchases under Blanket Purchase Agreements (BPAs) specified in 13.505.

(c) To issue orders under Basic Ordering Agreements (BOAs) as specified in DFAR 216.703(c).

(d) To issue delivery orders under prepriced indefinite quantity and indefinite delivery requirement contracts as specified in FAR 16.703.

(9) DD Form 1547, Record of Weighted Guidelines Application, is used to establish the profit objective on negotiated cost contracts and provide a record.

f. Contract Modifications. SF 30, Amendment of Solicitation/Modification of Contract, is prescribed for use in:

(1) Amending solicitations, whether advertised or negotiated, as specified in FAR 14.208(a) 15.410(a).

(2) Modifying purchase and delivery orders as specified in FAR 13.503(b).

(3) Modifying contracts as specified in FAR 43.301 and 49.602-5.

(4) Novation and change of name agreements as specified in FAR 42.1203(f).

g. Acceptance/Inspection. DD Form 250, Material Inspection and Receiving Report; DD Form 1155, Order for Supplies or Services; and SF 44, Purchase Order - Invoice - Voucher, are the forms most generally used as receiving and acceptance documents.

h. Military Interdepartmental Purchase Request (MIPR). DD Form 448, Military Interdepartmental Purchase Request, and DD Form 448-2, Acceptance of MIPR, are used to document the funds' transfer and acceptance of the purchase request between military departments.

i. Contract Close-out. The following forms are prescribed for use in contract close-out actions as set out in DFARS 204.8.

(1) DD Form 1593, Contract Administration Completion Record.

(2) DD Form 1594, Contract Completion Statement.

(3) DD Form 1597, Contract Close-out Checklist.

(4) DD Form 1598, Contract Termination Status Report.

j. Purchase Request and Commitment. DA Form 3953 is used to certify funds availability, record them as commitments in account records, and establish the requirement for local purchase.

APPENDIX O

Contingency Contracting Support Plan

O-1. Purpose. Provide a 24 hour capability for responsive contracting action during emergencies and deployments.

O-2. Goals. The Contingency Contracting Support Plan (CCSP) ensures that contracting plans and procedures are carried out in response to the following situations:

- a. Duties in support of disaster relief efforts.
- b. Response to rapid deployment logistics support requirements.
- c. Support of units deployed to remote locations, or to a host nation outside of the continental United States (OCONUS).
- d. Support of mobilization stations in CONUS responsible for the deployment of units.

O-3. Policies.

a. A CCSP ensures that the contracting process receives the proper emphasis in all logistics planning. Each MACOM will ensure senior subordinate units have a plan to cover probable emergencies and deployments of the unit(s) supported. As a rule, the program should cover:

- (1) Contracting support of the unit(s) supported and publishing the appropriate plans and procedures.
- (2) Planning for contract requirements established by the unit(s) supported under various situations.
- (3) Designating, deploying, and augmenting contracting and necessary finance units.
- (4) Contracting procedures, authorities, and deviations during various situations.
- (5) Developing, maintaining, and using contracting deployment kits tailored for locations and situations.
- (6) Operating procedures and responsibilities of contracting officers, ordering officers, contracting officer's representatives (COR), finance and accounting officers, resource management, and requiring activities during various situations.
- (7) Taking part in site surveys, exercises, and conducting contingency contracting training.
- (8) Ensure contracting and finance support are included in the contingency OPLANS.

b. Supported units having contracting support requirements must be made aware of the program and help the supporting contracting activity develop procedures and plans to cover

various situations. Copies of approved contingency contracting support plans are provided to support activities and functions in advance.

O-4. Responsibilities.

a. Major Commands (MACOM)/Theater Army Command. The MACOM/Theater Army Commander is the Head of the Contracting Activity (HCA). The HCA--

(1) Appoints the Principal Assistant Responsible for Contracting (PARC).

(2) Sets policy and outlines procedures for developing and reviewing the Contingency Contracting Support Plan.

(3) Ensures contracting support elements are established at the appropriate subordinate levels to effectively provide contracting support.

(4) Provides authority for contracting offices.

(5) Establishes, when required, intercommand agreements explaining contracting support relationships between host and guest MACOMs during deployment.

(6) Reviews or maintains current files for subordinate units operational plans (OPLANS), host nation support agreements, intercommand/service agreements, and applicable joint support plans for deployment to determine probable deployment support requirements.

(7) Provides legal assistant, trained in contracting, to MACOM/Theater level contracting office and assists subordinate contracting offices as necessary.

b. Logistical Unit Commander. The commander responsible for the logistics mission of assigned and tenant units. The logistical unit commander--

(1) Approves the unit CCSP. A copy must be sent to the parent MACOM and, if applicable, to intermediate commands.

(2) Ensures the contracting, resource management, and finance elements are included in deployments which require contracting support.

(3) Reviews with the chief of contracting element the procedures to be utilized in satisfying local purchase requirements.

(4) Does not assign contracting officers additional duties which would serve to conflict with contracting responsibilities.

(5) Advises subordinate personnel that only the contracting officer is authorized to obligate the government in the local area of support.

(6) Maintains liaison with the supporting resource management office and the finance group to ensure they are included in the CCSP.

(7) Advises all subordinate personnel that each requester for contracting services is responsible for completing the required receiving report (DD 1155 or DD 250). The requester must immediately advise the contracting officer of non-delivery, non-conforming, non-operational, or other vendor failures.

c. Chief, Contracting Element will:

(1) Conduct training to ensure that contracting personnel are given current information regarding individual and unit mobility responsibilities.

(2) Determine need and if applicable establish requirement for equipment other than the Contingency Contracting Support Kit that deploying contracting personnel will need at a deployable location.

(3) Prepare and maintain at least one pre-assembled kit for each potential area of deployment. Exact contents will be determined after review of the unit's overall contingency support mission.

(4) Coordinate and incorporate finance and resource management support into the CCSP.

(5) Prepare written letters of instructions for ordering officers, informing them of their duties, restrictions, limitations and responsibilities in providing contract support.

(6) Develop written operating procedures covering the four functional divisions of a contracting element (Support, Contracts, Contract Administration and Simplified Acquisitions) These procedures will detail the procedures and systems utilized in the deployment for providing contract support.

d. Supporting Finance Group/Theater Finance Command will--

(1) Coordinate with the Chief, Contracting Element, in planning for the finance support necessary for each CCSP. This should include a determination of the number and types of contracts expected to be established, methods of payment (whether by cash or check), and disbursing requirements (both U.S. and foreign currencies).

(2) Develop written operating procedures covering finance support required by each CCSP. This should spell out who, what, when, where, and how finance support will be accomplished.

(3) Prepare written letters of instruction for Finance Officer's Representative and imprest fund cashiers, informing them of their duties and responsibilities in providing contracting support.

(4) Develop personnel, equipment, and administrative requirements for the deploying finance elements for each CCSP.

(5) Ensure that funds appropriated for military construction are managed by USACE.

APPENDIX P

Contract Payment

P-1. Responsibilities.

a. Finance and accounting officers (FAOs) implement procedures to make commercial payments on time. Public funds can be legally disbursed only when proper documents support the disbursement. FAOs ensure that all commercial payments are legal and proper.

b. Contracting officers are responsible for awarding contracts and issuing purchase orders and delivery orders. They will not take action to award a contract until they have written confirmation that funds are available. The contracting officer may award subject to availability of funds with a later modification to confirm funds available for performance. The confirmation may be from the resource manager or other designated official. Contracting officers also will:

(1) Ensure that all procurement documents show the complete official address of the FAO who is to make payments. Normally, the FAO designated to make payment is the one whose fiscal station number is shown in the fund citation.

(2) Ensure that copies of all procurement documents and modifications are sent to the FAO and the resource manager.

(3) Establish and insert in applicable procurement documents any specific payment terms or dates.

c. Certifying officers outside the finance and accounting office prepare payment vouchers and attach all supporting documents that authorize the payment. Documents to be attached are--

(1) The procurement document or legal authority for the disbursement.

(2) Receiving/acceptance report or certificate of performance.

(3) Vendor's invoice or claim. Before signing a certification, certifying officers must ensure that the supplies and services have been ordered, received, and accepted; and that the vendors invoice is correct. Original documents are sent for the disbursing officers retained accounts. Certifying officers keep copies of all supporting documents.

P-2. Paying Accounts.

a. Supporting Document Sources.

(1) Contracting officers furnish the FAO contracts, purchase orders, delivery orders, and other procurement documents. Vouchers may be prepared by contracting officers, CORs, or certifying officers. In some instances, such as utilities, communication services, or precertified voucher, they

may be prepared by other authorized personnel. In such cases, all necessary supporting documents must be attached to the voucher.

(2) Receiving/acceptance reports and certificates of performance. Accountable property officers, CORs, inspectors, or other duly authorized persons send receiving/acceptance reports to the finance officer.

(3) Vendor invoices must be sent directly to the office designated in the procurement document. Some contracts require that invoices be sent to an approving official for certification before submission to the contracting office.

b. Number of Payments.

(1) Complete Payment. A procurement document is normally paid on a single payment voucher if all the supplies or services are delivered at one time.

(2) Partial Payment. When the government accepts a partial shipment of supplies or performance of services, payment is made for the amount accepted unless the procurement document specifically precludes partial payments. An unlimited number of partial payments may be made. Each partial payment voucher must clearly identify the procurement document number for which payment is being made and that it is a partial payment. The final payment voucher must be marked as final payment. Because of the Prompt Payment Act, deduction/payment will be made in a timely manner.

c. Receiving/Acceptance Reports and Certificates of Performance.

(1) Almost any document can be used as a receiving/acceptance report if it contains the following information:

(a) Procurement or other authorization number.

(b) Product or service description.

(c) Quantities received.

(d) Date property or service was accepted.

(e) Signature, printed name, title, phone number, and mailing address of the receiving official.

(2) Electronically transmitted receiving/acceptance reports may be used but a signed original must be available for audit purposes.

(3) The following forms are most generally used as receiving/acceptance forms:

(a) DD Form 250, Material Inspection and Receiving Report.

(b) DD Form 1155, Order for Supplies or Services.

(c) SF 44, Purchase Order-Invoice-Voucher.

(4) Inspection and Acceptance. The appropriate individual completes a receiving/acceptance report after supplies are received and accepted. The receiving/acceptance report lists the items received and gives the quantity. It also lists any items rejected and the reasons for rejection. The receiving/acceptance activity may use SF 361, Transportation discrepancy report or SF 364, Report of Discrepancy, to report discrepancies to the contracting officer for resolution.

(5) Certificates of Performance. When services are procured, a certificate of performance may be submitted instead of a receiving/acceptance report. It is usually preprinted on a purchase order, delivery order, or receiving/acceptance report form. A certificate of performance may also be typed or stamped on an invoice, delivery ticket, or separate sheet of paper substantially as follows:

"I certify that the services called for
in the Purchase/Delivery
Order/Contract) have been rendered per
the terms and specifications of the
order."

(Date Services Accepted)

(Printed Signature Block)

(Signature)

d. Vendor's Invoice.

(1) Description and Content. The vendor's invoice is a request for payment for goods or services the vendor has furnished the government. It should have an itemized listing of quantities, description of items, unit cost, and total cost.

(2) Multiple invoices, monthly or otherwise, payable to one vendor at one office may be combined into one payment. When using this procedure, each invoice must be identified individually. The voucher must show the amount of each invoice as a separate entry in the voucher's "AMOUNT" column.

(3) Invoice Format. There is no prescribed format for a vendor's invoice. The invoice form used in commercial transactions normally is acceptable in government billings. The invoice submitted must be either an original or a copy designated as the ORIGINAL and used as such. A carbon copy of an invoice that the vendor marks "Original" is acceptable provided it contains the required details. However, when an original invoice has been lost or destroyed, a copy must be obtained from the vendor and the voucher processed through regular disbursement channels. A full explanation of circumstances surrounding the loss or destruction of the original invoice and a statement that steps have been taken to prevent duplicate payment must be placed on or attached to the invoice copy.

(4) Invoice Certification.

(a) The requirement that vendors' invoices certify that "the bill is correct and just and that payment has not been received" applies only to bills for transportation and accessorial services procured by SFs 1103, U.S. Government Bills of Lading (GBL) or commercial bills of lading for conversion to GBLs.

(b) The absence of the certificate on other bills or invoices does not eliminate the requirement for specific certification of facts required by certain contracts. It does not lessen the vendor's responsibility to comply with all statutory requirements applicable to transactions with the government. It is not to be construed as mitigating a vendors liability for asserting false, fictitious, or fraudulent claims against the United States.

e. Vendor name. Vouchers and checks are usually made out to the official name of a business firm, association, or partnership. Some large corporations ask that checks be made out and mailed to a local office that may or may not have the same name. This is permissible as long as the payment voucher and invoice clearly shows the contract number.

f. Duplicate Payments. Vouchers and supporting documents must be marked so they will not be processed for payment a second time. Personnel must be particularly alert for the possibility of duplicate payments in the following situations:

(1) Payments have been delayed for extended periods after the due date and duplicate invoices have been received from the vendor.

(2) Invoices or bills appear to have been submitted for payment to more than one location.

(3) Adjusted invoices after payments have been made.

P-3. Miscellaneous Payments.

a. Billing Periods under Blanket Purchase Agreements (BPAs).

(1) It may be desirable to arrange for vendors to submit periodic invoices or delivery tickets for purchases made under BPAs. These invoices or tickets must identify, either on the documents or by reference to other documents, the articles covered, unit costs, and total costs.

(2) If the BPA does not have specific payment terms, the payment due date is 30 days after the later of--

(a) The final date of the billing period.

(b) The date the paying office receives a proper invoice or delivery ticket for all deliveries accepted during the billing period.

(c) The date the receiving/acceptance report states the goods or services were accepted.

b. Civilian Clothing Allowances for Soldiers. Entitlements, limitations, definitions, and policies on furnishing initial civilian clothing and continuing allowances to soldiers are contained in AR 700-84. Procedures to pay these allowances are in AR 700-84, Chapter 8. Payment is made on SF 1034, Public Voucher for Purchases and Services Other than Personal.

c. Military Clothing for Civilians. Army civilians are sometimes required to wear the Army field/utility uniform and footwear during field exercises and operations conducted by military members. AR 700-84 authorizes civilians to buy these items from an Army Military Clothing Sales Store (AMCSS). AR 670-1 authorizes insignia, obtained through normal supply channels, to be attached and worn on the field/utility uniform. Commanders may authorize OMA funds, not to exceed \$125 a year, to buy these items. Funds will cover the cost of attaching insignia to the uniforms. Payment is made on SF 1034.

d. Reimbursements for Personal Expenditures.

(1) Soldiers and civilian personnel should avoid using their funds to pay government obligations. However, they can be reimbursed if they used their own money to make a payment under urgent or unforeseen emergencies.

(2) Personnel who claim reimbursement after spending their own funds must show an urgent or unforeseen reason for doing so. The claimant prepares SF 1164, Claim for Reimbursement for Expenditure on Official Business, and puts the following statement on the voucher:

"I certify this claim is true and correct; that there was an unforeseen and urgent reason to spend my funds; and I have not received credit or payment."

(Signature)

(Date)

(3) The person's commander or supervisor must approve the voucher. Documents to show the goods and services were received and essential must be attached to the voucher.

(4) Army personnel who barter away personal valuables during escape and evasion may also be reimbursed. The commander or commander's representative must approve the reimbursement. The value of each item bartered must be listed and must show its age and condition at time of barter. This list is attached to the certified SF 1164 presented for payment.

P-4. Special Types of Payments.

a. Advances (FAR 32.4)

(1) General Prohibitions against Advance Payments. Under contingency conditions, in particular, advance payment is the least preferred method of contract financing. Without specific statutory authority, payment for goods and services cannot exceed the value of the supplies or services accepted as of the payment

date.

(2) When Advances are Permitted. Advance payments can be made from DoD appropriations for services listed below in relation to contingency contracting. Payments made in accordance with the laws of foreign countries or their ministerial regulation and payments for rent in such countries, if necessary under local custom, can also be paid in advance.

(a) Advance payments for publications and subscriptions.

(b) Advance payments for post office box rental.

(c) Streetcar tickets or tokens, toll road permits and toll bridge tickets.

(d) Payments for public refuse disposal facility tickets.

(e) Cash on Delivery (C.O.D.) charges. Paying C.O.D. charges in cash before the contents are examined is authorized. This applies only when the purchases are made from imprest funds.

(f) Utility connection charge. Paying a public utility for an installation or connection charge is not an advance payment because the government receives full consideration - services not otherwise available become available. Connection charges are later reimbursable by a specified monthly refund on the invoice for utility services.

b. Progress and Advance Payments under Contract Financing.

(1) The term contract financing means the government assists contractors by providing working capital to finance contracts for large amounts or those that extend over a long period of time. Policies and procedures governing progress and advance payments are in the FAR 32.1 and DFARS 232.1 and 232.5. In order to keep funds held outside the U.S. Treasury to a minimum, the amount of advance must be held to the absolute minimum necessary for contract performance. Contract financing includes--

(a) Payment methods.

(b) Loan guarantee.

(c) Administration of debts to the government arising out of contracts.

(d) Contract funding.

(2) Advance payments are money advances from the government to a prime contractor before, in anticipation of, and for the purpose of complete performance under one or more contracts. Since they are not measured by performance, they differ from partial, progress, or to payments based on the performance or partial performance of a contract. Advance

payments may be made to prime contractors to make advances to subcontractors. Advance payments are made as soon as possible after a proper certification by the contracting officer reaches the correct finance office.

(3) Progress payments are payments based either on the cost incurred by the contractor as work progresses or based on a percentage or state of contract completion. The contract must contain direction for either of these two methods of making progress payments as directed by the contract.

(4) Requests for approval. Requests for advance payments and unusual progress payments are submitted, as outlined in FAR, Part 32, through the HCA to DA.

APPENDIX Q

Contract close-out

Q-1. General.

a. Physically completed contracts are those on which services are complete and accepted, but still require contract administration action for closure. Reporting requirements and standard times are set forth in FAR 4.805 and DFARS 204.805. Guidance on close-out of contract files is in FAR 4.804 and DFARS 204.804.

b. The contracting officer is responsible for closing out physically complete contracts. DD Form 1594, Contract Completion Statement, will be used for this purpose.

c. The contracting officer under FAR 4.804-2 will ensure that all required contractual actions have been completed and will prepare a statement to that effect. This is accomplished by completing and signing the lower portion of the DD Form 1594 submitted by the contract administrator. Once completed and signed, the DD Form 1594 is the authority to close the contract file and shall be made part of the official contract file.

d. Closing out a large purchase; however, requires a more detailed procedure than just obtaining a receiving report and payment information. A DD Form 1594, Contract Completion Statement, must be used. While the form has more applicability to centrally managed contracts, the form is also applicable to closing out physically completed contracts resulting from contingencies.

e. The contracting officer should keep in mind that the objective of contract close-out is more than documenting the file. The objective is to assure that all contractual claims and obligations have been satisfied. If they have not, the contract file must remain open. All contract files, closed or not, will be turned over to the sponsoring contracting office at the end of deployment, if not sooner.

Q-2. Procedures for Closing Out Contracts.

a. The DD Form 1597, Contract Close-out Checklist, is the primary document for initiating a systematic contract close-out. When all necessary and applicable actions have been completed, the contracting officer will sign and attach this form to the DD Form 1594.

b. When the physically completed contract involves government property in the possession of the contractor, the contracting officer will forward a DD Form 1593, Contract Administration Completion Record, to the property administrator requesting the actual or estimated dates for completion of property administration. The DD Form 1593 should also be used to verify that other functional activities have completed their required close-out actions.

c. The contracting officer will review the status of funds

on physically completed contracts to ascertain whether funds are available for removal prior to final payment.

d. For all contracts not in excess of the simplified acquisition threshold, the contracting officer shall include in the contract file a statement that all contract actions have been completed. The completed form or statement is authority for closing out the contract file.

e. When the purchasing office administers a contract, that office is responsible for ensuring that all required purchase actions and contract administration have been completed, utilizing as necessary DD Form 1597, Contract Close-out Checklist, and DD Form 1593, Contract Administration Completion Record.

f. When all required actions have been completed, the purchasing office shall prepare a Contract Completion Statement, DD Form 1594, for all contracts in excess of the simplified acquisition threshold. The Contract Completion Statement shall be made a part of the official contract file. Sections (1) through (10) below correspond to the numbered blocks on the form, and are provided as instruction on how to complete a DD Form 1594.

(1) Enter the address of the organization performing contract administration functions.

(2) Enter the applicable PIIN, the last modification number, if any, and the last call/order number, if applicable.

(3) Enter the address of the contracting officer.

(4) Enter the address of the contractor.

(5) Indicate if there are, or are not, excess funds. If there are excess funds, enter the amount.

(6) If final payment has been made, enter the voucher number and the date on the voucher. (Contract files cannot be closed out until final payment is made.)

(7) Not applicable, unless invoices are being forwarded to the disbursing office or another activity. If applicable, enter invoice number and date forwarded.

(8) Enter as appropriate statements regarding other contractual aspects (i.e., property clearance if the government property was provided, settlement of claims resulting from a termination for convenience, etc.).

(9) Enter name of official responsible for contract administration, signature, and date.

(10) Section 10.

(a) Check applicable box to indicate the close-out date of the contract file in the contracting office.

(b) Enter any applicable remarks.

(c) Enter name of the contracting officer, sign and date.

Q-3. Terminated Contracts.

a. On termination of a contract for the convenience of the government, complete or partial, the contracting officer will provide a copy of the DD Form 1597 to the termination contracting officer (TCO). The TCO will complete the DD Form 1597, sign it, and forward the form to the contracting officer together with the completed termination case file. The contracting officer would then resume normal contract close-out procedures. In the absence of a TCO, the contracting officer should assume the TCO duties described in FAR 49.105.

b. The termination of a contract for default, complete or partial, is the responsibility of the contracting officer who will resolve the terminated portion. Any non-terminated portion, not yet complete, will be processed for close-out upon completion of the non-terminated portion.

Appendix R

Terms and Definitions

a. Acquisition. "Acquisition" means the acquiring by contract with appropriate funds - supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. It is an integral part of the overall theater logistics plan and operational system which includes requirements generation flow, contract/purchase, inspection, acceptance and user receipt of delivery.

b. Appointment Documents. Appointments for ordering officer, imprest fund cashier, COR, COTR, and various other positions will be made using an appointment letter. The purpose is to specify the responsibilities and limitations of the appointment.

c. Army Federal Acquisition Regulation Supplement. The Army supplement to the FAR and DFAR implements Departmental procedures and instructions.

d. Contingency. A situation involving the deployment of military forces in response to natural disasters, terrorist or subversive activities, collapse of law and order, political instability, or military operations. Due to the uncertainty of the situation, contingencies require plans, rapid response and special procedures to ensure the safety and readiness of personnel, installations and equipment.

e. Contingency Contracting. The provision of those essential supplies and services needed to execute and sustain the mission. It includes emergency contracting in the continental United States (CONUS) or outside the continental United States (OCONUS) for those actions necessary for the mobilization and deployment of units.

f. Contract. A mutually binding legal agreement between two or more persons, enforceable by law.

g. Contracting. Federal Acquisition Regulation (FAR) 2.101 defines contracting as purchasing, renting, leasing or otherwise obtaining supplies or services from non-federal sources. Contracting functions include description (but not determination) of supplies and services required, selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration. It does not include making grants or cooperative agreements.

h. Contracting Officer. Means a person with the authority to enter into, administer and/or terminate contracts and make related determinations and findings. A contracting officer is appointed in writing through a warrant (SF 1402) by the Head of the Contracting Activity (HCA) or the Principal Assistant Responsible for Contracting (PARC).

i. Contracting Officer's Representative (COR). An individual appointed by the contracting officer (DFARS 201.602-2) to assist in the technical monitoring or administration of a contract. Responsibilities are specifically assigned to the COR in the contracting officer's letter of designation (see Appendix D)

j. Contractor. A corporation, firm, partnership, or individual who provides a service or supply through a contract.

k. Defense Federal Acquisition Regulation Supplement. A DOD supplement to the FAR establishing uniform policies and procedures applicable to all Defense Agencies.

l. Disbursing Officer. An individual responsible for the disbursement and accountability of funds. The officer works for the finance and accounting officer.

m. Funds Certification Officer. Individual who verifies availability of funds by each account/agency.

n. Finance and Accounting Officer. The staff officer assigned to maintain a system of accounts and financial procedures for an installation or activity and entrusted with the duty to disburse, receive, and account for public moneys.

o. Finance Officer's Representative. A Commissioned, Warrant, or Noncommissioned Officer (NCO) in the Grade E-6 or above, appointed on orders to act as an agent of the finance and accounting officer (FAO) for the purpose of making payments as specified in the appointment letter.

p. Federal Acquisition Regulation. A statutory directive establishing uniform policies and procedures for acquisition by most government agencies.

q. Functional Activities. Those installation level activities outside the contracting office such as Directorate of Logistics (DOL), Directorate of Personnel and Community Affairs (DPCA) and Directorate of Public Works (DPW).

r. Functional Representative. A member of a functional activity who is tasked to monitor or inspect contractor performance on a specific contract. The person may be a COR, COTR, QAE, or other specialist.

s. Head of Contracting Activity. The official in command of one of the contracting activities (usually MACOM) listed in DFARS 2.101. This official appoints contracting officers at subordinate installations. Contracting officers are responsible to the HCA for ensuring statutory and regulatory compliance.

t. Host Nation Support (HNS). Agreements are normally negotiated through the U.S. State Department to provide HNS for deployed forces. Support items under these agreements may include: billeting, food, water, fuel, transportation, and utilities.

u. Imprest Fund. A cash fund established by an advance of funds without charge against an appropriation, from a finance or disbursing officer to a duly appointed cashier. The fund will be used for payments in cash for simplified acquisitions.

v. Imprest Fund Cashier. Individual appointed to disburse funds from the imprest fund. The cashier is directly accountable to the finance and accounting officer for the accuracy of payments.

w. Logistics Civil Augmentation Program (LOGCAP). LOGCAP plans for the use of civilian contractors to support contingencies or to augment the combat service support force structure of selected forces.

x. Ordering Officer. An individual appointed by the chief of the contracting office (AFARS 1.602-2-91) to purchase goods or services paid from a specific, limited fund. Neither property book officers nor Finance Officer's Representatives may be ordering officers.

y. Receiving Officer. A individual from the requiring activity, normally in a position to verify receipt of supplies or services. This individual does not have to be on orders. A receiving officer may not be an ordering officer or finance officer's representative at the same time.

z. Simplified Acquisition. The acquisition of supplies and services, including construction and research and development, the aggregate amount of which does not exceed the simplified acquisition threshold established by Congress.

GLOSSARY

Abbreviations

ACRN	-	Accounting Classification Reference Number
ADR	-	Alternative Dispute Resolution
ADT	-	Active Duty for Training
AFARS	-	Army Federal Acquisition Regulation Supplement
AL	-	Acquisition Letter
ALMC	-	Army Logistics Management College
AMCSS	-	Army Military Clothing Sales Store
APOD	-	Air Port of Debarkation
APR	-	Agency Procurement Request
AR	-	Army Regulation
ARNG	-	Army National Guard
ASA(RDA)	-	Assistant Secretary of the Army (Research, Development and Acquisition)
BOA	-	Basic Ordering Agreement
BPA	-	Blanket Purchase Agreement
CCSP	-	Contingency Contracting Support Plan
CINC	-	Commander-in-Chief
CMMC	-	Corps Material Management Center
CONUS	-	Continental United States
COR	-	Contracting Officer's Representative
COSCOM	-	Corps Support Command
COTR	-	Contracting Officer's Technical Representative
CSS	-	Combat Service Support
DA	-	Department of the Army
DCAA	-	Defense Contract Audit Agency
DFARS	-	Defense Federal Acquisition Regulation Supplement
DMMC	-	Defense Materiel Management College

DLA - Defense Logistics Agency

DODAAC - Department of Defense Activity Address Code

DODAAD - Department of Defense Activity Address Directory

DOD - Department of Defense

DPA - Delegation of Procurement Authority

DRA - Defense Resource Act

DRIS - Defense Regional Interservice Support

FA - Functional Area

FAO - Finance and Accounting Officer

FAR - Federal Acquisition Regulation

FAST - Forward Area Support Team

FEMA - Federal Emergency Management Agency

FOB - Free on Board

FSS - Federal Supply Schedule

G1 - Personnel and Administration

G2 - Security

G3 - Assistant Chief of Staff, (Operations and Plans)

G4 - Assistant Chief of Staff, (Logistics)

G5 - Public Affairs

GAO - General Accounting Office

GSA - General Services Agency

GSO - General Services Officer

HCA - Head of Contracting Activity

HHC - Headquarters and Headquarters Company

HN - Host Nation

HNS - Host Nation Support

IGE - Independent Government Estimate

IPR - In-process Review

LNO - Liaison Officer

LOGCAP - Logistics Civil Augmentation Program

LP - Local Purchase
 MACOM - Major Command
 MAPL - Military Acquisition Position List
 MFR - Memorandum for Record
 MIPR - Military Interdepartmental Purchase Request
 MMC - Materiel Management Center
 MOA - Memorandum of Agreement
 MTOE - Modified Table of Organization and Equipment
 NAF - Non-appropriated Fund
 NSN - National Stock Number
 OCONUS - Outside Continental United States
 OMA - Operations and Maintenance, Army
 OPLAN - Operations Plan
 PARC - Principal Assistant Responsible for Contracting
 PBO - Property Book Officer
 PCRB - Property Control Record Book
 PERSCOM - Personnel Command
 PII - Procurement Instrument Identification
 PIIN - Procurement Instrument Identification Number
 PNM - Price Negotiation Memorandum
 POL - Petroleum, Oils, and Lubricants
 PR - Purchase Request
 PWS - Performance Work Statement
 RFP - Request for Proposal
 S1 - Administration and Personnel
 S2 - Security
 S3 - Operations and Training
 S4 - Logistics/Supply
 SAACONS - Standard Army Automated Contracting System

SF	-	Standard Form
SJA	-	Staff Judge Advocate
SOFA	-	Status of Forces Agreement
SOW	-	Statement of Work
SOP	-	Standard Operating Procedures
SPOD	-	Sea Port of Debarkation
SSA	-	Source Selection Authority
SUPCOM	-	Support Command
T & M	-	Time and Materiel
TCO	-	Termination Contracting Officer
TDA	-	Table of Distribution and Allowances
TMMC	-	Theater Material Management Center
TOE	-	Table of Organization and Equipment
UCA	-	Undefinitized Contract Action
UMMIPS	-	Uniform Materiel Movement and Issue Priority System
USACE	-	United States Army Corps of Engineers
USAR	-	United States Army Reserve
USC	-	United States Code